FOREIGN AFFAIRS

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OCTOBER, 1927

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CONTRIBUTORS TO THIS ISSUE

ARCHIBALD CARY COOLIDGE, Editor of *Foreign Affairs*, Professor of History at Harvard University * * * *HENRY M. ROBINSON*, head of the American delegation at the recent International Economic Conference, President of the First National Bank of Los Angeles * * * *RAYMOND LESLIE BUELL*, recently returned from studies in Africa as representative of the Bureau of International Research of Harvard University * * * *J. A. M. DE SANCHEZ*, of J. P. Morgan and Company * * * *ISAIAH BOWMAN*, Director of the American Geographical Society, Chief Territorial Expert for the American delegation at the Paris Peace Conference, author of *The New World* and other works * * * *COUNT CARLO SFORZA*, Italian Senator, former Minister of Foreign Affairs, former Minister to China and Ambassador to France * * * *MANLEY O. HUDSON*, Professor of International Law in the Harvard Law School, author of a number of works * * * *A. D. BROKAW*, geologist, of New York * * * *L. Y. SPEAR*, Vice-President of the Electric Boat Company * * * *JOHN S. EWART, K. C.*, Chief Counsel for Canada in the North Atlantic Fisheries case, author of volumes on legal and international matters * * * *C. K. LEITH*, Professor of Geology in the University of Wisconsin, Technical Adviser to the American Commission to Negotiate Peace, 1918–19 * * * *SIR BERNARD PARES*, Professor of Russian Literature and History in the University of London, one of the Editors of *The Slavonic Review*, author of *A History of Russia* and other works * * * *ROBERT H. GEORGE*, Professor of History, Brown University * * * *ALEŠ BROZ*, American correspondent of the *Prager Presse*.

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FOREIGN AFFAIRS

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A QUARTER CENTURY OF ANGLO-FRENCH RELATIONS

By Archibald Cary Coolidge

SINCE the days of King John, the last really French sovereign of England, some seven hundred years ago, rarely have the relations between Britain and France been worse — save in times of acute controversy or of actual hostilities — than they were at the opening of the present century.

The feuds between the two countries have indeed been numberless and have left their mark. We think at once of Crecy and Agincourt, of Joan of Arc, of Blenheim and Fontenoy, of the struggle for empire in America and India, of Trafalgar and Waterloo. But apart from such bygones, the record of the last two decades of the last century alone were filled with one quarrel after another, for the most part due to the clashing of incompatible colonial ambitions. The climax was reached in 1898 when Kitchener after his victory of Omdurman steamed up the Nile only to find his progress barred by Marchand who had crossed the African continent from the Atlantic and hoisted the flag of France at Fashoda. The universal outburst of wrath in England and the rough, uncompromising tone adopted by both government and people might well have made war inevitable if France had not backed down completely, albeit with dignity.

A public humiliation is not easily forgiven by any nation, especially a great one. No wonder that for a space it seemed that Britain had displaced Germany as the chief object of French hatred. Germans were in fact perhaps more numerous and certainly more welcome than Englishmen at the Paris exhibition of 1900. When the South African war startled the world by the repeated defeats of British regulars at the hands of Dutch farmers, Frenchmen high and low jeered to their hearts' content with a noisiness and occasional indecency that provoked fierce resentment across the Channel. Never had English and French, states-

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men and people alike, appeared further estranged than at this juncture. Thus the British Foreign Office, when taught by experience of the perils of "splendid isolation" it looked for a partner, naturally turned first and foremost to Germany. From 1899 till near the close of 1901 London repeatedly sought for an alliance or at least a binding agreement of some kind with Berlin — but sought in vain.

Yet, throughout it all there were a few rare souls, French and English, who in the darkest days never gave up the conviction that, whatever might be the griefs of the past, it would be of untold benefit to both nations, ay, to civilization, for them to be friends, not enemies, that the very differences between them demanded that they should supplement, not antagonize one another, that there were no questions between them which could not be fairly settled by the proper exercise of consideration and good will. Among the men holding these views were a few high in office, but what is extraordinary is not so much that a mere handful were able to bring about a far-reaching political agreement as the support they instantly found in public opinion.

Soon after its overtures to Germany had ended in failure, the British Government was questioned by the French as to whether it was disposed to enter into negotiations aiming at a broad settlement of outstanding issues between them. The reply was a prompt affirmative and the discussions began. It is noteworthy that the most important matters — Egypt and Morocco — were disposed of without much trouble. This seems surprising when we remember that Egypt had been a particularly sore point for France for twenty years, one which had rendered truly good relations with England impossible, one on which she appeared more sensitive and less willing to make concessions than on any other. As for Morocco, the last attempt of the British Foreign Office in 1901 to win the coöperation of Germany was precisely in order to keep the French out of that country. But now each side realized that instead of trying to ignore unpleasant facts it was wiser to come to terms on a principle of give and take, of a free hand (subject to certain restrictions) in Egypt for the one, in Morocco for the other. This principle was, therefore, accepted, without further ado. Also the old wearisome dispute regarding the so-called French Shore of Newfoundland, where France had well established legal and historic rights, but where in the course of time their exercise had become an unquestionable hardship to the

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native population, was terminated in the rational way of buying her out by concessions elsewhere. Curiously enough, the difficulty that delayed longest the signature of the convention was the French wish to acquire the insignificant British colony of Gambia which made an awkward enclave in French West Africa but which, though of slight value in itself, England refused to part with.

Already measures had been taken to prepare the public for the new orientation. It was necessary to proceed with caution even in the exchange of courtesies, for the situation was delicate and a trifling mistake might prove disastrous. The most important and striking step was the visit at his own initiative of King Edward VII to Paris in 1903. There was serious risk in the venture, for though the King as Prince of Wales had been a well known figure in the town and was personally popular there, anti-English feeling was strong and a single hostile demonstration might have done untold mischief. But the French did not belie their traditional reputation for politeness. The reception accorded to the King, if not enthusiastic, was courteous and all passed off smoothly. With the ice thus broken, President Loubet on his return visit to London was greeted with something like real warmth and exchanges of politenesses between English and French societies became the order of the day.

Nevertheless, it must have been with many tremors as well as hopes that those in authority in London and Paris announced to the world the famous Anglo-French agreement of 1904. How would it strike the general public in the two countries so recently at daggers drawn? It entailed for both the surrender of hopes and of "rights" which had been maintained with patriotic ardor. Would the uncertain future profits compensate for what would be deemed grievous sacrifices?

The reply both in England and in France was startling in its promptness and unanimity. Doubts, hesitations, reservations were drowned in an ever swelling chorus of approval which apparently included nearly everybody except the Frenchmen in Egypt and the Englishmen in Morocco. In the British parliament the convention was ratified almost without opposition; in the French chamber there was more criticism but the great majority acclaimed what had been done. Of course, true to human nature, each side asserted that the other had got the better of the bargain, but the dominating fact was that neither attached importance

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to the actual terms so much as to the clearing away of the obstacles to better relations between the two nations. Manifestations of good feeling now became more and more marked, the prevailing tone of the press was almost dithyrambic, and presently the erstwhile traditional foes found themselves closely linked together, not by any written pact but by what was well termed the "Entente Cordiale." Since then, through days of peace and days of war, despite many conflicts of interest and some of sentiment which have aroused grievous heart burnings, the Entente Cordiale, though at times far from being a reality corresponding to its name, has survived to this hour and still has roots deeper than is often appreciated.

To interpret all this is not easy. It is clear that the treaty of 1904, which in its provisions was quite unsentimental, would not have produced such an outburst of approval if the peoples concerned had not been prepared for it, to an extent that neither of them nor anyone else was aware of beforehand. When we seek for the reasons, some of them can well be surmised, such as the recognition in France that with her stationary population it had become hopeless for her to endeavor at the same time to rival England by sea and Germany by land, and that she must now decide between the two policies. Conversely, we have the age long English tradition in favor of a "balance of power" on the continent and an awakening to a consciousness that whereas France was no longer to be feared, German competition at every turn threatened Britain industrially and commercially and even in that command of the sea which she held to be essential to the feeding of her own people and to the existence of her empire.

These considerations, whether well or ill founded, were cold blooded and were plain to the man in the street. They have often been expatiated upon. The more unconscious motives are harder to fathom. The French and the English are radically dissimilar in innumerable ways, indeed both are probably nearer to the Germans than to one another. Even with Americans Frenchmen often appear to have more intellectual affinities than they have with Britons. The attitude of millions of British for generations was one of scorn for the French and all they represented; that of the French, who have got the worst of it in most of the wars between the two, was marked by positive hatred, tempered but not sweetened by contempt for a folk whom they regarded as gross and stupid. Yet underlying French enmity there ever lurked a recogni-

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tion of English achievement as something which extorted admiration. In yet greater measure the assumption of ineffable British superiority has not prevented numberless Englishmen from yielding to the charm of French culture and from appreciating how manifold and how marvellous have been the products of the French mind. At bottom, too, both peoples have for the last couple of centuries entertained a feeling that they belonged to a special category, that it was they, between them, who had taken the chief rôle in the shaping of the modern world, and each has been at least secretly pleased when its merits have won the recognition of the other. After all, granting that the twain are not alike and cannot be expected to see many things in the same light, may they not for that very reason serve as a better complement to one another, and perhaps live in truer harmony on that account, as one sees in private life in many of the happiest marriages?

Be this as it may, one can hardly imagine that if the previous negotiations between the English and the Germans had been fruitful, the announcement would have been greeted by either public with anything like the same volume of popular enthusiasm or would have led to such immediate cordiality. And yet the two would merely have had to overlook a few recent bickerings instead of being called upon to forget age long dissensions.

The Entente Cordiale was soon invigorated by the action of Germany in intervening in Morocco. Whatever may have been the rights and wrongs of the dispute in itself, the British, not without reason, were convinced that the German Government cared little enough about Morocco but was intent on demonstrating to France that the friendship of Britain was an insufficient protection against a hostile Germany. Let her become convinced of this and do penance; then Moroccan affairs could be arranged without trouble. If, too, as is probable, the British Foreign Office had some inkling of the secret anti-English Björko covenant between the Tsar and the Kaiser, this would stiffen its attitude. At any rate England backed up France without reserve from start to finish, for which support the latter was frankly grateful. Thus the whole incident, and especially its finale, the Conference of Algeciras, led to a fresh honeymoon between a couple who felt that the troth they had pledged had been tested and had not been found wanting.

In the following years Anglo-French amity was unmarred by

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any serious rift. The general foreign policy of the two countries was similar, they took the same stand in broad international questions, they consulted together frequently, and lent the readiest assistance without either having to feel that it was sacrificing real interests of its own for the benefit of its friend. The intimacy was also strengthened by the meetings of military and naval experts to agree on principles of joint action in case of need.

These "secret" military conventions have been fiercely attacked and interpreted as indicating nefarious designs. Much nonsense has been talked in this connection. We may grant, to be sure, that confabulations of the sort are not in harmony with theories of pacifism at any price and that they betray a lack of confidence in the maintenance of the peace, as do armaments themselves. Their necessity and even the temptation to them may well be deplored. But the foreign policy of a state is not properly determined by its military authorities, whose duty in time of peace is in the main confined to planning and preparing to meet situations not of their making. No one can reasonably blame a general staff for working out with care and elaboration a plan of campaign in an imaginary war even when such a conflict is most unlikely and is desired by no one. That is not its affair. Its business is to be ready for whatever happens and reasonable beings may be expected to devote most of their attention to contingencies they think may well occur rather than to mere plays of the imagination. Now if the military experts in a country are to be prepared to fulfill the terrific tasks which may suddenly be imposed upon them, we can hardly criticize them if they wish to consult with similar representatives of another land with which their own is in alliance. The difficult and complicated problem of the coördination of the resources against the common enemy should be discussed beforehand. Such things cannot be safely left to the last minute. And even when there exists no formal alliance, but only a likelihood of joint action, should responsible people be precluded from taking counsel betimes with one another in regard to the course to follow in the event of circumstances which may be of vital importance to them all? It stands to reason, too, that such conferences and the agreements arrived at must in the nature of the case be as "secret" as are the plans of a single general staff which nobody imagines should be given to the newspapers.

Yet whatever were the heart to heart talks and the under-

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standings, and despite the fact that in 1914 there was really much more common interest as well as sympathy between the English and the French than between the French and the Russians, there was no Anglo-French alliance similar to the Franco-Russian one. In consequence, when the crisis came in July, while France not only as she was pledged to do took the side of Russia after the German declaration of war, but from the beginning of the dispute gave her ally full assurance of support, on the other hand until the last moment she was in desperate uncertainty as to whether she could rely on English help. Even Sir Edward Grey, who believed that Britain was morally committed, pointed out again and again that she was bound by no express promise. If, indeed, the Germans had avoided taking the offensive in the west or at the very least had respected the neutrality of Belgium, one may well think that England would have remained neutral, at any rate for a while. At the cabinet meeting on the morning of August 2nd when the armies were already on the march, the majority of the members still favored England's keeping out of the war, and even after the news came of the entry of German soldiers into Belgium, there was a delay over the final vote until it should be clear that this violation of neutral territory had not taken place with Belgian connivance. Only after the appeal of King Albert did the British cabinet commit itself and even then the last word was reserved to Parliament.

The prolonged tragedy of the World War led to more than four years of the most intimate association between the English and the French, — to common hopes and fears, joys and sorrows, to countless interchanges of services, and to the actual personal contact of millions of people belonging to the two nations. It would be asking too much of human nature to expect that either governments or individuals should invariably see eye to eye with their partners under such circumstances. Radical differences of honest opinions as to the wisest course to pursue in critical situations, clashes of equally legitimate interests, selfishness of every sort, pride, suspicion, jealousy, the inborn tendency to take the credit for success to yourself and to put the blame for failure on your co-worker, the fraying of nerves continually at the highest tension, all played the part they must among men not angels, and left their traces behind. One wonders not so much that faults were committed as that people kept their heads at all and that through this terrible experience of bloodshed and destruction the relations

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between the companions at arms continued as good as they did to the end.

When the gigantic combat was over, the victory won, and the foe compelled to accept an armistice, to surrender his conquests, and to disband his armies while his fate was being decided for him, the triumphant allies after the first moment of intoxication were soon to discover how widely their views differed. The French and the English who had borne the brunt of the fighting and formed the nucleus of the world wide combination which had overthrown the German titan, could look back on their achievements with equally justified pride — there was glory enough to go round; they had suffered and bled to a ghastly, though not to the same, extent, and they demanded reparation as well as security for the future. But there was much that was unlike in their situations. England had now attained practically every one of her war objects. Her fear of the German menace was gone, for there no longer existed a German navy, and the rebuilding of one could be forbidden; German commerce was prostrate, and the mercantile fleet, like the colonies of the former empire, were in the hands of the conquerors who proposed to keep them. For Britain, who had not known invasion, it was comparatively easy to forgive and forget, the more so as it soon became evident to her that for the reconstitution of her own industry and trade, the peace, prosperity and purchasing power of her neighbors, Germany included, were more important than the amount of money she might obtain from reparations.

Victorious France, on the other hand, which had suffered more from the war than had her vanquished German foe, now had a great deal to ask for. She wanted first and foremost security. Her recovery of Alsace-Lorraine did not make up for the actual war losses from the flower of her population, which still was fifty per-cent smaller than that of her neighbor and with a much lower rate of annual growth. How was she to be insured against fresh attack and a renewal of the secular struggle for the Rhine frontier? Must she look forward before long to the horrors of another invasion? Secondly, in addition to what the combat itself had cost her, she was obliged to devote immediately huge sums to the reconstitution of the devastated district, sums which it was stipulated should be made good by German reparations. These were vital to her and she must insist accordingly. That Germany might be ruined in the process left her comparatively indifferent. She pre-

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ferred it should be Germany rather than herself. Also, as a more economically self-sufficing nation, she was less keenly concerned about the prompt rebuilding of Europe than was England.

These fundamental differences in situations and the conflict of equally justifiable claims which has ensued have been at the bottom of most of the troubles, not to say antagonism, between Great Britain and France from the days of the Peace Conference to our own. With the best of will it has often been more than difficult for them to work harmoniously together when their respective necessities have been so impossible to reconcile without painful sacrifices on the part of one if not both.

There have of course been various other reasons for the many disputes which have embittered their relations. Old rivalries sprang up again in many quarters. There was bad feeling in the Near East, where both for a time acted in a way which redounded neither to their credit nor in the end to their profit; there were struggles for influence and petty intrigues in regions far and near, including Geneva. The French have resented that England made her consent to the fifteen year alliance agreed upon at Paris dependent on the adhesion of the United States. As that was withheld later, the treaty fell to the ground; but they were left bound by the concessions they had made to obtain it. They also were particularly embittered by the proceedings of the Washington Disarmament Conference, and though ready to admit afterwards that they had blundered themselves, they ascribed their discomfiture and humiliation chiefly to the machinations of the British. Personal elements have likewise entered in. Lloyd George was the *bête noire* of Frenchmen who believed that he got the better of them in every transaction; Poincaré in his turn became even more unpopular in England, whose outspoken disapproval he calmly disregarded. As the months passed the animosity on the two sides of the Channel both in the government and the public waxed more and more evident, the tone of the official correspondence was marked by acerbity, that of the press by violent recrimination. The one thing which everybody seemed agreed upon was the charge of utter selfishness on the part of their former friends.

The occupation of the Ruhr, which was almost unanimously condemned by vocal opinion in England and was carried out in the flattest defiance of her wishes by an ally who in turn accused her of desertion, marked the culmination of this ill feeling. The Entente Cordiale appeared to be not only dead but to be poison-

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ing the atmosphere with its decomposed corpse. Yet disastrous as the Ruhr occupation may have been economically, its ultimate political effects proved to the good. It served to make both France and Germany realize the limits of their strength and of what they could obtain by mere force, active or passive. Without it we should have had no Dawes Plan or Locarno or Thoiry. With the improvement in Franco-German relations those between England and France have coincidently grown better, so much so that they have resumed at least a semblance of their former cordiality; Messrs. MacDonald and Herriot were well fitted to work in harmony for common ideals; Briand and Chamberlain have had no unpleasant controversies and have coöperated loyally.

Perhaps the same spirit has not yet permeated the two Foreign Offices, for such institutions have tenacious memories, are seldom sentimental or even charitable, and are prone to see the trees rather than the wood. It thus occurs sometimes that, unknown to the world, their opinions differ materially both from those of their chiefs and those of the general public, but this is an evil which has to be put up with.

We may also keep in mind that it is natural that there should be a certain jealousy between the representatives of the two leading powers of Europe whenever they meet on neutral grounds. The relative prestige of nations may often appear a petty consideration, but it has a practical importance in obtaining attention to their wishes. There may well be sound reasons why either England or France should object to having her voice listened to less than the other's in, for instance, Spain, Belgium, Poland, Turkey, or, indeed, almost everywhere. It may be noted that the Little Entente has never excited enthusiasm in Britain, where it has been looked upon as a grouping of French satellites, and much the same is true of the alliance between France and Belgium. On the other hand, any British flirtation with Mussolini is alarming to France. One could multiply examples of the kind on either side.

Turning to the future, the question that immediately arises is the all important one — what are the prospects for the further duration of the Entente in substance as well as in form? If we begin by surveying or merely enumerating the fields, both spiritual and material, the world over, where the interests of England and of France differ and must differ, our first impression is discouraging. We can only indicate a few of them here. Each one has a whole complicated history and literature of its own.

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To start with, is the close mutual friendship of England and France the one above others that either would prefer? For England at least this is more than doubtful. There can be little question that ever since the war, if she had been able to get the coöperation of the United States in the manner and on the terms she desired, she might have let France go by the board without overmuch regret. The Entente Cordiale can never offer such advantages or make such a sentimental appeal as would an Anglo-American alliance. Therefore, at best it looks only a second choice. And is it even that? Has not the wise and successful tradition of the foreign policy of England been to cultivate intimacy with the next strongest power on the continent as against the dangerous ambitions of the strongest one? Would it not be as natural for her to turn to Germany now as it was to France in 1904? Why, too, should she favor France rather than Italy, from whom she has less to fear as a power, whose interests run less often counter to her own and with whom she has been on excellent terms since the first days of Italian unity? She has in truth more than one string to her bow.

On the French side we may remember that the dream of the community of "the Latin sisters," although it has suffered rude shocks and looks unpromising just now in view of Italian aspirations, still keeps some sentimental appeal. Pan Latinism may have little more than a vague cultural significance, but a "Latin Mediterranean" dominated by a close alliance of France, Italy and Spain can still count on enthusiasts. There are various possibilities for France worth considering in this and other directions, possibilities whose attractiveness would be heightened by any too marked growth of Anglo-Saxon fraternity.

When we turn to economics, we note that France and England have been competitors in the course of centuries in more than one domain of manufacture and commerce. It is true their rivalry has not usually been such as to threaten the welfare of either. They have tended rather to have their particular fields where they did not have to fear one another. It looks now, however, as if France, especially if the interests of her steel industries can be combined with those of German coal to the obvious profit of both, might soon become an active competitor in what have been some of the most important English productions. Conversely, British "defence of home industries" and imperial preference are disadvantageous to France, though with her own record of protectionist

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policy and of illiberality in regard to colonial trade she has no right to complain.

In the matter of the Allied war debts the British by their loudly proclaimed policy of exacting no more from their debtors than they are forced to hand over to their creditors have been successful, at least for the present, in transferring any French ill feeling on this sore subject from themselves to the Americans. They have made it appear that only the greed of the United States prevents them from being magnanimous to their impoverished allies, who are now being squeezed indirectly as well as directly for enormous payments to a rich creditor across the seas. All right, but how long will it last? Suppose France were to make her payments dependent on her receipt of reparations and these were to dry up so that she gave nothing to America at all, while England continued to do so under the Baldwin agreement. London would soon remind Paris of its obligations. Or again, if France were in the end to obtain a much more satisfactory settlement from America than the one Caillaux was able to conclude with Winston Churchill, would she rest content with the latter? The French tax payer is no more willing to be bled for the benefit of Britain than he is for that of the United States.

In the political domain the possible causes for disagreement are beyond number. It is true that though England is affected by what is going on all over the globe, in the western hemisphere France has but a few scattered outposts. Otherwise her interests are economic or cultural. But everywhere in Europe, as well as in much of Asia and Africa, both the French and the English are actively concerned. Their views and desires often differ, which means that their policies are in danger of clashing. For recent examples we have but to think of the still unsolved problems connected with the peace terms and the reconstitution of Europe and especially with German reparations. In spite of the progress made in the last three years the situation is precarious enough and in any new crisis the previous reasons for dissentiment will still exist.

Then there are the broad international issues, some old, some new, but all complicated, all fraught with grave possibilities for both countries. Who can say that either the question of the Near East or that of the Mediterranean has reached any but a temporary solution? We know that the Far Eastern one is in a most dangerous condition. What is there in Pan Europeanism, is it a

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practicable ideal or an empty name? Should a united front be opposed to propagandist Bolshevik Russia? What are the limits to the "revolt of Asia" and how is the white man to meet "the rising tide of color?" In every one of these, as in many other problems, England and France are vitally interested and we can conceive of their taking incompatible, not to say hostile, positions. How can anyone expect two peoples so dissimilar in character and manner of thought and whose aims are so often opposed to live together in more than temporary accord?

To this there is a first obvious answer. Life, whether individual, national or international, has become vastly more complicated everywhere. This is a part of the price we have to pay for modern progress and we must face it as best we can. The very fact that the relations, geographic and economic, historical, political and cultural, between the English and the French are more intricate than those between any other two of the great nations of the world means that it is of the utmost consequence to both that they should be friends, not enemies. They are capable of doing each other endless good as well as harm and this is no mere transient phase but is based on permanent conditions. As King Edward VII put it, "I know of no two countries whose prosperity is more interdependent." A few enlightened spirits have always appreciated this, and since 1904 there have been many who have perceived it more or less clearly, even in these last years of reaction. If it can become part of the creed not only of statesmen and of the leaders of public opinion in London and Paris, but also of the instinctive belief of the masses, it should go far to enable them to put up with the irritations, large and small, that come of constant intercourse, and to make allowances for each other's peculiarities as well as natural selfishness. They must resolve to make the best of one another, and to maintain constant loyalty as well as tolerance in good weather and in bad. This is asking a great deal of any two peoples, but the nearer the French and the English come to reaching this ideal, the better for them and for the world.

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SOME LESSONS FROM THE ECONOMIC CONFERENCE

By Henry M. Robinson

THE International Economic Conference which was held at Geneva last spring proved significant in various ways — in the number of countries represented, the relative harmony of the proceedings, the variety of the problems which came under discussion, and the close approach to unanimity which marked the acceptance of the final resolutions. The deliberations proved that on some questions of economic policy there exists a fair consensus of world opinion; but the proceedings also demonstrated that there are other economic problems, some of great importance, which could not be placed on the agenda with any prospect of agreement among the various delegations. Hence the recommendations of the conference are silent on some matters of great and widespread public interest. They do not make a thrilling newspaper story, but their importance is considerable none the less.

It may be useful, therefore, to set forth briefly the chain of events which led to the calling of this meeting, the chief problems which it considered, the impressions gained by the American delegates there, the American attitude toward possible solutions, and, in general, what may result from the work of the conference if its recommendations are followed.

This conference, like so many others that have been held during the past nine years, grew out of the dislocations caused by the war. The great struggle threw out of gear much of the mechanism which facilitates international trade. And the decisions of the Peace Conference added to the difficulties, for the moment at least, by creating new states and new international boundaries. From the war and the peace, between them, there resulted a variety of obstacles — instability of currencies, an interruption of the usual flow of international credits, diminished production, and greater difficulties of transportation across the various frontiers. This, in turn, brought loss of markets, unemployment, impaired purchasing power on the part of individuals and governments, all culminating in reduced standards of living among the people. The governments of the various countries made haste to meet this situation by various alleviating devices, but in most

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cases these merely served to place additional handicaps upon the natural flow of commerce and credit.

This condition was one of the first things to which the new-born League of Nations turned its attention, for statesmen recognized that the maintenance of world peace must depend in some measure upon the amelioration of prevailing economic ills. Hence the Brussels Conference was called in 1920. It dealt mainly with the problem of monetary stabilization, acting on the proper belief that fluctuations in currency were in considerable measure responsible for the sudden erection of high tariff walls and for the discriminating practices to which countries were resorting in order to safeguard their own producers against outside competition. This conference agreed upon fundamental formulæ for the stabilization of currencies, and during the past seven years these formulæ have been generally accepted throughout the civilized world. Today, all the important commercial countries, with two exceptions, may be said to have stabilized their currencies on a gold basis — not by law in all cases, but at any rate in fact.

In 1923 came the next step. The complete devaluation of the old German currency resulted in the Dawes Plan for the rehabilitation of German economy, the payment of reparations in the form of annuities, and the transfer of these payments without serious disturbance to the mechanism of international credit. The Locarno Conference followed soon after, with agreements and understandings which tended greatly to clarify the whole European political situation and to eliminate, in some degree, the poison of hatred from the minds of various peoples.

The work of the Brussels Conference was general; that of the Dawes Committee on Reparations was special; while that of the Locarno Conference was once more general in its scope. But even after all three of them had done their work, many real and difficult economic problems remained untouched, and the dominant minds in the League of Nations felt that a plenary international conference for the consideration and possible elimination of these difficulties ought to be held at the first opportune moment.

The time chosen for the Geneva Economic Conference proved to be opportune and the method of constituting it, as well as the work of preparing material for its consideration, turned out to be both wise and effective. The League began by selecting a preparatory committee composed of members from the most im-

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portant commercial countries. This committee not only shaped the agenda for the conference, but arranged for the compilation of data and documents on the various items. These publications were prepared by men of high reputation and ability in their respective fields. The members of the conference itself were officially named by the governments of the countries represented, but the individual delegates did not speak with official authority. They were free to put forth their own personal ideas, and this resulted in a sounder and saner approach. Members of the delegation from the United States were impressed with the character, ability, and experience of the men from other countries. They came from every quarter, represented every angle of economic thought, and did not hesitate to voice their opinions without reserve. The preparatory work gave the debate both direction and definiteness, while the arrangements made by the Secretariat of the League for facilitating the work were very effective.

The members of the American delegation, with the greater number of their advisers, were able to have a series of meetings before the conference opened and to reach an accord on the various questions on the agenda. This was done without having recourse to any compromises in the convictions or principles of any individual member. From the very outset of the conference, then, the American group was solid on every important question that came up.

In a general way, the American representatives took the position that while they believed the people of the United States to be much interested in the work of the conference and in its outcome, they had no desire to impose upon Europe the economic ideals, ideas, or practices of America. Our participation in the discussions was not based upon any profound knowledge of European conditions or any exceptional experience in economic diplomacy, but was dictated solely by a desire to show good will and by a hope to assist, so far as possible, the consideration of the various problems in a broad and objective spirit. To this end we were glad to explain the economic organization and methods used in the United States whenever we were asked to do so, but not with any implication that these were of necessity applicable to European conditions. This attitude the American delegation maintained throughout.

The agenda of the conference omitted some very important problems. It did not include any mention of reparations, inter-

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national debts, restrictions on immigration, or tariff levels (except as an incident to the general discussion of tariff barriers). Doubtless it was felt that the question of reparations payments under the Dawes Plan had not reached a point where the question could wisely be brought up as affecting the general economic situation. Nor did the question of international debts seem to be an appropriate one for this conference to discuss, particularly in view of the fact that the actual payments on international debt accounts, except possibly in the case of Great Britain, are not yet sufficient in amount to be a factor of much economic importance. As for questions affecting the international movement of populations, it was clear that a large conference, organized as this one was, could not discuss such problems in any profitable way.

The work of the conference fell into three main divisions — industry, commerce, and agriculture. The gathering divided itself into three committees on this basis. The industrial committee limited its work to "rationalization" and "cartelization;" the principal work of the commercial committee related to tariff barriers; while the agricultural committee dealt with a variety of matters in its field.

The American delegates soon reached the conclusion that the agenda and the accompanying documents seemed to portray conditions of economic distress which, by the time the conference met, no longer obtained in all lines or in all European countries. In fact it was our impression that a continuous, though not a uniform, improvement had been going on throughout Europe, with the possible exception of Russia, ever since the Brussels Conference of 1920. And it was to these European conditions and problems that most of the discussions related. The economic interdependence of European countries was the central theme, although it was recognized that alterations in the European situation would have repercussions outside the continent and that the resolutions adopted by the conference would have, in the main, possibilities of world-wide application.

For the most part, the conference attacked each problem "as is," without much discussion of what had gone before. It recognized that the factors affecting international economic life are never absolute or static, but are ever-changing in character and importance. Nevertheless, the age-old discussion of free trade *versus* protection and of the socialization of national resources were injected into the proceedings. These discussions served their

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purpose, perhaps, in developing the fact that the rationalization of tariff schedules is a problem of more importance than the limiting of tariff levels, and that the socialization of resources is a problem of domestic rather than of international implications.

The members of the American delegation believe that the discussions at the conference may be of as great and lasting benefit as the resolutions, even though the latter incorporated definite formulas which, if followed, would undoubtedly ameliorate some of the economic troubles existing in Europe. The various European delegations seemed to feel that the prosperity of the United States, which they assumed to be both nation-wide and marvellous, is due to some economic alchemy that Americans have discovered and are utilizing but which has not yet been adopted by the rest of the world. We were asked to enlighten the conference as to the true reasons for this phenomenon. In so doing, however, the members of the American delegation took occasion to point out that not all lines of production are enjoying "extraordinary" prosperity in the United States — that several important branches of agriculture and some lines of manufacturing and mining have not been on a very prosperous basis for a considerable time. Attention was also drawn to the fact that the purchasing power of the individual citizen is unusually large in the United States and that this has been an important factor in the situation. This buying power, as we pointed out, has also contributed to the economic improvement in Europe and in the world generally, through purchases for the American market which are unusual both in amount and in character.

In the work of the committee on industry, the American delegation and its advisers were able to render assistance by indicating the advance made by American industries in reducing the number of types and classes of manufactured products. They explained, furthermore, that trade practices and methods are no longer generally kept secret in the United States, but through the trade journals, the Department of Commerce, and the chambers of commerce, have for the most part become available to all. Emphasis was placed on the fact that the prevailing American practice is to seek lower costs of production, not by wage reductions but by improved management, by the substitution of machinery for manual labor, and by the elimination of waste. It was interesting to observe that the representatives of the workers at the conference seemed to feel that substitution of

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machinery and elimination of waste must inevitably increase unemployment. In the end, a formula was adopted, based generally on American industrial practice, and this was done without any urging on the part of the American group.

As respects cartelization, the American delegation assumed a negative attitude, particularly as respects international cartelization, citing our own experience with the pooling agreements and arguments of a generation ago. We pointed out that adverse legislation had ensued, with a change in the attitude of both operators and the public, and expressed a fear that if international pooling agreements were based upon the actual control of physical property, there would be serious danger of monopoly with resulting exploitation of both the worker and the public. In European countries there would be additional difficulties and dangers, owing to the practice of governmental participation in certain lines of production. Obviously an international cartelization covering these branches of production would accentuate international political difficulties and misunderstandings, for there would be pressure through diplomatic channels to secure the advantage of cartels in which each government had a pecuniary interest. The American delegates took the ground that while continued operation on an international scale might have merits in certain lines of production, such operations were always fraught with danger, and we declined to vote on the cartel resolution, although this resolution embodied various safeguards which grew out of American suggestions as to the possibilities of harm.

In the committee on commerce, the discussion of trade barriers brought out the fact that far more important than the general level of customs duties was the frequent and abrupt changing of rates, the lack of continuity in tariff policies, the widely different standards of classification and nomenclature, and the practice of discrimination. For this reason the committee made no specific recommendation as to tariff levels, contenting itself with the general declaration that "the time has come to put an end to the raising of levels in tariffs and to move in the opposite direction." But the conference, by resolution, approved the principle of "equality of treatment" and condemned the practice of artificially limiting the export of raw materials. It also suggested the simplification of customs formalities, the use of standard nomenclature, and various other technical improvements in tariff procedure.

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In the agricultural committee the deliberations were concerned with the use of better farming and marketing methods, the improvement of credit institutions, and the amplification of credits to agriculturists on reasonable terms. The conference adopted resolutions in support of coöperative marketing and in favor of enlarged agricultural credits in countries where these are still inadequate. It also urged the collection of comparable statistics, on a world-wide basis, with reference to the production, movement, and consumption of agricultural products.

These, in summary, are the outstanding problems with which the conference, through its three main committees, undertook to deal. An interesting sidelight was thrown upon them by the participation of the Soviet Russian delegates, who endeavored to instruct the conference, and through it, the world, in the merits of their own communist economic system. In the end the Soviet delegates supported some important provisions in the resolutions of the conference and on the whole they were not a disturbing factor in its work.

It is not easy, of course, to estimate the extent to which the frequent explanations of American methods or the setting forth of their own ideas by the American delegates influenced the work of the conference, but a study of the resolutions will show that they recommend the adoption of various economic practices which have become generally accepted in the United States, and also of policies which are now being urged by our own Department of State in the making of commercial treaties. This was because the conference came to the conclusion that such practices and policies were sound and applicable; it was not in any sense the prompting of the American delegates.

There was a general feeling that through some agency the recommendations of the conference ought to be followed up after they had gone to the various countries concerned. Proposals were made for expanding the Economic Committee of the League of Nations so that it might serve this purpose, or for creating a new League committee. Other agencies were also suggested. In the end it was agreed that the League's existing economic organization could do the work without much expense and that another conference might well be called in due course. This conference, it was felt, should be somewhat similar in composition to the one held last May. Its function should be to receive reports of progress and to modify, amplify, or refine the recommendations already made.

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Naturally the American delegates did not feel justified in urging that the follow-up work should be done by one of the League's regular channels, or that another conference be held at the League's initiative. They did feel, however, that the recommendations should be followed up, and so expressed themselves. Meanwhile, it may be mentioned that the Belgian Parliament and the German Reichstag have taken the recommendations under consideration and have acted upon certain phases of them.

Having thus summarized the work of the conference, there are some questions which can readily be answered. To what extent were American solutions of European economic problems accepted? The answer is that no American solutions were offered. American economic practices were explained whenever asked for, and the recommendations of the conference show that these explanations made some impression. What problems were left unsolved? Many of them. The agenda of the conference was significant not merely for what it contained but for what it omitted — as has been indicated in the opening pages of this article. At the present juncture such omissions are inevitable. Another conference, when and if it is called, may find this situation different, but in any event it would find plenty of work on the old agenda, all the problems on which will undoubtedly have entered into new phases by that time.

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THE STRUGGLE IN AFRICA

By Raymond Leslie Buell

"Il est permis de supposer cependant que peut-être un jour l'Europe, expulsée de l'Asie, ou s'étale en ce moment toute son activité industrielle, par l'envahissement progressif et intense de la race jaune, trouvera son dernier point d'appui en cette Afrique qui, de nos jours seulement, ouvre ses sécrets si longtemps gardés, et la nation la plus forte sera celle qui aura su prévoir cet avenir." — Lieutenant-Colonel Gallieni, "Deux Campagnes au Soudan Français," 1891.

UNTIL the last twenty-five years the continent of Africa, as far as the white man is concerned, has not only been Dark, but in vast areas it has been Deserted. East Africa was occupied only in 1895, and although the French, Dutch, and British maintained trading posts along the West Coast for several centuries, it was only in 1900 – 1902 that the British annexed the Gold Coast and declared a protectorate over Northern Nigeria; it was only in 1914 that the French succeeded in pacifying the Ivory Coast.

To-day Africa may no longer complain of neglect. European and American capital is pouring into the continent with an intensity probably unequalled in the history of any other "backward" continent. The hundred million or so natives who occupy this territory have been obliged to adjust themselves within the short space of a quarter of a century to the devices of an industrial civilization which has been slowly built up and unconsciously absorbed by the white man during the last three or four hundred years. This sudden impact has created social problems of the most serious nature. Native peoples, hitherto living a relatively stable life, have suddenly become mobile. The demands of European Governments and employers for porters and for laborers have induced, in many cases by fraud and duress, the male population to leave their families and villages often for months at a time. After travelling on foot for several weeks without adequate food and shelter, they arrive at a labor center to work continuously under a climate and a discipline to which they are unaccustomed and to live in artificial labor camps where they are often obliged to eat strange and improperly prepared food. As a result of this turmoil, the simple life of the native has been destroyed, his family has become disorganized, and his resistance to disease has declined. Despite medical care, the death rate in European labor centers is high. Moreover, the opening up of the continent has led to the introduction of new maladies, such as tuberculosis, and to

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the extension of old diseases, notably sleeping sickness, which hitherto had been localized. The power of the white man has shaken the authority of the chief and destroyed the respect of the native for the rules of conduct which previously held the tribe together. Despite the efforts of missionaries, the natives as a whole have not adopted a new code. The result is that parts of Africa to-day hover on the brink of anarchy; and throughout vast areas of the continent there is a feeling which, though it cannot be scientifically established nevertheless firmly persists, that since the European occupation the native population has actually declined.

Realizing the seriousness of this collision between European industrialism and primitive society, certain governments in Africa have deliberately adopted a colonial policy which will soften the rudeness of the impact and gradually prepare their populations to adapt themselves to a new régime. There are other governments in Africa who, unmindful of this problem, and eager for quick returns, have adopted policies which are hastening the dissolution of the continent. Into the details of these two conflicting systems we cannot go.[1] The point needs to be emphasized, however, that the solution of the problem must be international.

In a speech to the French Colonial School in 1922, M. Albert Sarraut, Minister of Colonies, declared that "world interest, little by little, is directed toward the colonial field, and the control of the League of Nations over mandated territory is the first expression of a future state of affairs which, in the increasing solidarity of world life, will place the management of colonizing peoples, if not under the investigation at least under the vigilant observation of the other countries."

The forty-odd political units in Africa do not live unto themselves alone. The policy in one unit is closely watched by the others. The more questionable a policy is the more desirous become its advocates, seeking for companionship against criticism, to fasten this policy upon neighboring territories. Thus the Congo Free State induced the French Congo to install the concession system; and the Government of Kenya is now urging the Government of Tanganyika to adopt the policy of white settlement. Each system of native policy in Africa has its proselytes.

[1] They are discussed in the writer's report to the Committee on International Research of Harvard University and Radcliffe College, entitled "The Native Problem in Africa," to be published in two volumes by Macmillan in November.

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If one government ignores the interests of the natives in one part of Africa, the same logic will tempt other governments to emulate its example. Eventually Africa will be all slave or all free.

The importance of an international solution of the African problem was recognized by the Powers of Europe in signing the Act of Berlin of 1885 and the Act of Brussels of 1890. But while the latter Act provided for measures to combat the Arab slave trade in East Africa and for the restriction of the arms and liquor traffic, neither of these acts attacked the fundamental problems created by the entrance into the continent of European industrialism. Except for an article defining in broad terms the obligation of a colonial government toward its native wards, the Act of Berlin was chiefly interested in securing equal opportunities for European traders and missionaries. Important progress was made following the World War, however, in Article 22 of the Treaty of Versailles and in the Mandates drawn up upon the basis of this article and applied, as far as Africa is concerned, to Tanganyika, Ruanda-Urundi, South-west Africa, Togo and the Cameroons. These Mandates definitely prohibit all forms of forced labor except for public works and then only in return for adequate compensation; and they oblige the mandatory powers to protect natives from abuse and fraud by the careful supervision of labor contracts and the recruiting of labor. Moreover, in the framing of laws relating to the holding or transfer of land, the Mandatory Power must take into consideration native laws and customs and respect the rights and safeguard the interests of the native population.

These two provisions in regard to labor and to land are fundamental to the existence of native society. While the Mandates Commission has had difficulties in securing the enforcement of these provisions, nevertheless the contrast between conditions in mandated territory and in adjoining colonies is noticeable and justifies the belief that if progress is to be made, obligations in regard to land and labor should be accepted by all of the colonial powers in Africa.

Following discussion in several Assemblies, and the work of an Anti-Slavery Commission, the 1926 Assembly of the League of Nations approved a slavery convention, Article 5 of which reads as follows:

> The High Contracting Parties recognize that recourse to compulsory or forced labor may have grave consequences and undertake, each in respect of

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the territories placed under its sovereignty, jurisdiction, protection, suzerainty or tutelage, to take all necessary measures to prevent compulsory or forced labor from developing into conditions analogous to slavery.

It is agreed that:

(1) Subject to the transitional provisions laid down in paragraph (2) below, compulsory or forced labor may only be exacted for public purposes.

(2) In territories in which compulsory or forced labor for other than public purposes still survives, the High Contracting Parties shall endeavor progressively and as soon as possible to put an end to the practice. So long as such forced or compulsory labor exists, this labor shall invariably be of an exceptional character, shall always receive adequate remuneration, and shall not involve the removal of the laborers from their usual place of residence.

(3) In all cases, the responsibility for any recourse to compulsory or forced labor shall rest with the competent central authorities of the territory concerned.

In comparison with the provisions in the Mandates, the Slavery Convention presents a number of weaknesses. Compulsory labor may be exacted for public purposes, whether essential or not, and it need not be paid. Moreover, compulsory labor for private purposes under the above conditions is tolerated until each government, within its discretion, decides to abolish it. The Convention does not give any attention to the activities of the large recruiting organizations which scour hundreds of miles in Africa for laborers, such as the Native Labor Corporation in South Africa, the Witswatersrand Native Labor Association operating in Mozambique, the Southern Rhodesia Labor Bureau, or the *Bourses du Travail* in the Belgian Congo.

Nevertheless, after signing the Slavery Convention, the Portuguese Government, which alone of the governments in Africa legally obliged natives to work for private employers, enacted a decree (No. 12,533 of October 23, 1926) which declares that forced labor is permitted only when "absolutely indispensable for the public good, and in very urgent cases." In commenting on this decree, the Director of Native Affairs in Portuguese East Africa recently stated that this decree "is the result of agreement arrived at in the League of Nations."[2]

The Portuguese Government is entitled to a great deal of credit for this action. But it should be pointed out that, whether in Portuguese or in Belgian, French or British territory, compulsory labor has at one time or another been imposed by extra-legal and indirect means. The best methods of doing away with these and other practices are presumably being discussed by the committee

[2] *Lourenço Marques Guardian*, June 1, 1927.

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on native labor recently established by the International Labor Office.

While the League of Nations has made progress in restricting forced labor outside of the mandates, it has not yet attacked the problem of safeguarding the rights in native land. While it is a maxim of international law that a succeeding government should respect private property, in establishing control over Africa the European powers found that except in a few instances property was communally held, and many of them assumed that such rights were too primitive to respect. A native subject cannot, under existing international law, invoke his "rights" as against the government to which he owes allegiance. Consequently, a number of governments in Africa have freely alienated lands owned by natives under customary law. If this process continues, the African population will become landless — serfs of European owners.

Since the alienation of land involves one of the most fundamental attributes of "sovereignty," its international control presents many difficulties. Both the British and American Governments protested against the excessive alienations of the Congo Free State on the ground that they violated the commercial liberty provisions of the Act of Berlin. But the Free State replied that liberty of commerce was different from the liberty to alienate property, a sovereign right which the Act did not pretend to control. The Act of Saint Germain, revising the Act of Berlin in 1919, acknowledged the contention of the Belgian (and of the French) Government by declaring (Article 4) that "Each State reserves the right to dispose freely of its property and to grant concessions for the development of the natural resources of the territory . . ." As a result of this article, the governments of Africa, except in the mandates, may as far as international law is concerned freely alienate native lands to Europeans. The insertion of a proviso found in the mandates that in alienating land each government should respect native customs and interests, would seem to be essential if the physical basis of a native society is to be preserved.

Of much less importance than land and labor is the question of alcohol, which has been the object of a number of international treaties, the last of them signed at Saint Germain in 1919. This Act prohibited the importation and sale of "trade" spirits into central Africa. "Trade" spirits consist usually of a cheaply pre-

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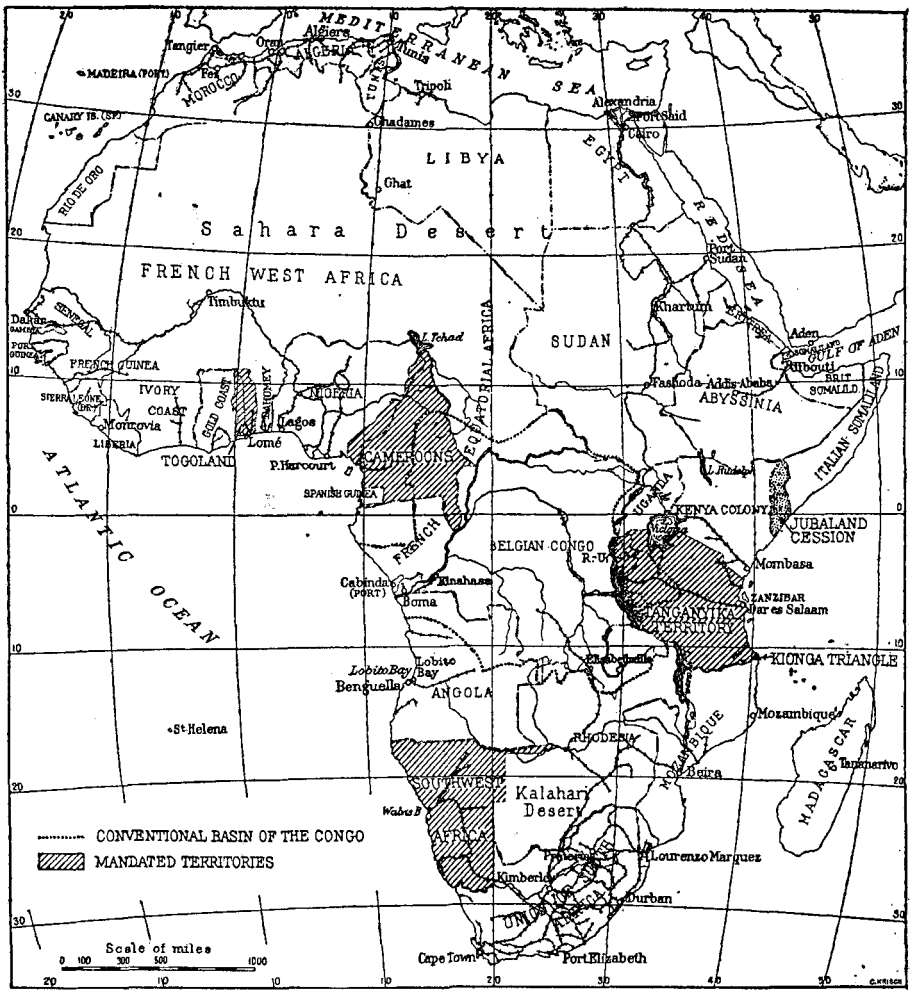

INDEPENDENT OR SELF-GOVERNING STATES
- Union of South Africa
- Southern Rhodesia
- Abyssinia
- Liberia
- Egypt

MANDATES (AND MANDATORY POWER)
- Southwest Africa (U. of South Africa)
- Tanganyika (Great Britain)
- British Togo (Great Britain)
- British Cameroons (Great Britain)
- French Cameroons (France)
- French Togo (France)
- Ruanda-Urundi (Belgium)

BRITISH COLONIES AND PROTECTORATES
- Sierra Leone
- Gambia
- Gold Coast
- Nigeria
- Northern Rhodesia
- Nyasaland
- Zanzibar
- Uganda
- Anglo-Egyptian Sudan
- Kenya
- British Somaliland
- Bechuanaland
- Basutoland
- Swaziland

FRENCH TERRITORIES
- French West Africa
- French Equatorial Africa
- Morocco
- Tunis
- Algeria
- French Somaliland
- Madagascar

PORTUGUESE TERRITORIES
- Angola
- Mozambique
- São Thomé I.
- Principe I.
- Portuguese Guinea
- Madeira Islands

SPANISH TERRITORIES
- Spanish Guinea
- Fernando Po
- Rio de Oro
- Spanish Morocco
- Canary Islands

BELGIAN TERRITORY
- Belgian Congo

ITALIAN TERRITORY
- Italian Libya

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pared rum or gin, put up in small bottles, for native consumption. The term does not cover spirits consumed by Europeans. Before the war, at least, "trade" spirits also contained injurious foreign materials and a high degree of fusel oil. At one time nearly half of the revenue of the West African colonies came from duties on "trade" spirits manufactured largely in Holland and Germany. Both the French and British Governments originally interpreted the term "trade" spirits, prohibited in the Convention of 1919, to include Dutch gin — a drink consumed only by natives. Because of the depreciation of the franc, duties on ordinary liquor became much lower in French than in British territory. Taking advantage of this situation, traders imported large quantities into French ports and smuggled them across the British frontier in the interior. Believing that they were losing trade by this procedure, irritated at the delay of the French Government in ratifying the Act of Saint Germain, and pressed by Dutch interests, the British Government adopted a new interpretation of "trade" spirits in 1921, which readmitted Dutch gin to the West Coast. The French thereupon followed suit in Togo, Dahomey and the Ivory Coast — territories covered by open door agreements. Elsewhere they still prohibit foreign spirits. Whether or not the British Government in readmitting Dutch gin has violated the Convention of Saint Germain is difficult to say. The only difference between the situation today and before the war is that the duties on spirits have been increased to 25 shillings a gallon, which may or may not take Dutch gin out of the category of spirits of a "low" price which the Convention intended to prohibit.

There is a good deal of feeling in France, Belgium, and Portugal that spirits should be outlawed for white and native alike in Africa. If these Powers, who favor a policy of wines and beers, should propose a treaty abolishing spirits in West Africa, the British Government which has defended this traffic in the past would find itself in a difficult position.

In the field of medical work and education another type of internationalism is developing. In East Africa the British Government employs a large number of Indians as sub-assistant surgeons; in the Belgian Congo nearly half of the medical service is composed of Italian doctors; while in French West Africa the Government employs a large number of Russian physicians. It would be an act of international good-will, and an act which would

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relieve an existing shortage of personnel, if the mandatory governments in Africa would invite German and Italian doctors, engineers, scientists, and educators to work in their territories.

The Health Committee of the League of Nations is already studying the international problem of sleeping sickness in Africa. Various governments have recently blessed the establishment of an unofficial organization, the International Institute of African Languages and Culture, which is seriously studying the social institutions of the continent. Its international nature is shown by the fact that it has a German and a French director and that it is supported in part by American funds. The studies of the Phelps-Stokes Fund of New York as well as discussions of the international missionary Conference held at Le Zoute, Belgium, in September, 1926, have made important international contributions to African education.

These international efforts have been directed toward promoting native welfare. If disputes over Africa are not to arise, the interests relating to capitalists and to missionaries of outside nations, whether they hold colonies or not, must also be guaranteed. With this end in view the Act of Berlin laid down elaborate provisions in regard to freedom of trade and went so far as to prohibit all import duties in the conventional basin of the Congo. While the Convention of 1919 removed this prohibition, it still maintained the principle of non-discrimination or the open door, a provision also inserted in the African mandates (except in Southwest Africa). In a treaty of 1898 the French and British Governments likewise agreed to the open door for thirty years in their territories on the West Coast of Africa. As a result of these agreements, and of domestic policy, the British colonies in Africa today do not impose differential duties, except in one or two exceptions such as the differential export tax on tin in Ni eria. Apart from these exceptions foreigners stand on the sa: e basis as Englishmen in matters of trade. The same situation prevails in the Belgian Congo, the southern part of French Equatorial Africa, the two French Mandates of Togo and the Cameroons, and in Dahomey and the Ivory Coast. In the remainder of French and Portuguese territory tariff discriminations exist. Partly as a result of the open door in the Belgian Congo, and despite the exchange, only 56.04 percent of the imports into the Belgian Congo in 1925 came from Belgium, while in Togo only 20.5 percent of the imports in 1924 came from France. In the Cameroons the per-

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centage was a little higher — 43.6 percent. If Germany and Italy are allowed freely to trade in the various territories of Africa, there will be no economic reason why they should be given colonies. The opponents of the German and Italian colonial movement could serve their ends best as well as attract the support of disinterested opinion if they advocated the negotiation of an open door treaty applying to every colony on the continent.

A somewhat different type of internationalism is developing in connection with communications and ports. Certain territories are entirely land-locked — such as the two Rhodesias, whose best port is Portuguese Beira. Vast areas of the Belgian Congo find that it is easier to reach Europe via the Sudan, Tanganyika, Beira or even Portuguese Angola than via the Belgian port of Matadi. The mines of South Africa also rely upon the Portuguese port of Lourenço Marques. In order to guarantee the use of the railways and ports in foreign territories, a number of freedom of transit treaties have been made. In 1909 the Governments of South Africa and of Portugal entered into an elaborate convention regarding the use of the Lourenço Marques harbor. In 1921 the British Government granted the Belgian Government (which in return evacuated Tanganyika west of Tabora) freedom of transit across this mandated territory and leased it harbor facilities at Kigoma and Dar-es-Salaam. In the summer of 1927 the Belgian Government negotiated with Portugal to secure similar rights in the port of Lobito Bay which will soon be served by the Benguela Railway.

Despite the existence of the open door in trade, it is the practice in British colonies to purchase supplies for the construction of railways and other public works from British concerns, although they often may be purchased more cheaply elsewhere. In some cases the alienation of land in Kenya has been restricted to British subjects. In the Congo concessions, the government usually inserts a provision that half of the Europeans employed on the enterprise must be Belgians and that half of its material must be purchased in Belgium. Although the Belgians have relied heavily upon British and American capital for the development of their mines, it is difficult for a small concern, without Belgian connections, to obtain a mining concession. Likewise Liberia's grant of a million acres to the Firestone interests, in spite of a constitutional provision prohibiting the holding of property by foreigners, may violate the open door in view of the fact that land not occupied by

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natives and accessible to the sea is strictly limited. These various practices in territories professing to follow the open door lead many Germans and others to believe that in certain cases the open door is more nominal than real. At present, the obligations in regard to the open door lack precision in such matters as land and mining concessions, and no international body interprets these obligations.

Missionaries, among the first of which were Livingstone, Mackay, and Grenfell, entered the continent of Africa before governments, and their rights were guaranteed without distinction of nationality or religion in the Act of Berlin of 1885. As a result of this guarantee and of missionary zeal a total of about 6,300 Protestant missionaries and 11,700 Catholic missionaries are at work in Africa to-day.[3]

Especially since the expulsion of the German missionaries, the great majority of the Protestant missionaries in Africa are English or American. While most of them will be found in British territory, the largest single group, about 700 missionaries, will be found in the Belgian Congo, and nearly 300 will be found in Portuguese East Africa and in Angola. Although the French have been more successful in excluding them, nearly 50 Protestant missionaries are in French West Africa and more than a hundred in Equatorial Africa. There are also about 110 Protestant missionaries in the French Cameroons. Despite the fact that most of these missionaries strenuously attempt to conform to the wishes of the authorities, the fact that they are Anglo-Saxon and that they have not hesitated to criticise administrative abuses has prejudiced their position in Latin territories.

In the Convention revising the Act of Berlin signed in September, 1919, an important qualification to the right of religious liberty was inserted to the effect that this right could be restricted when necessary for the maintenance of public security "or as may result from the enforcement of the constitutional law of any of the Powers" concerned. Apparently under the authority of this proviso, the exact meaning of which is not clear, the French and Portuguese Governments have imposed severe restrictions upon missionary work. In Loanda no mission may be established without a previous license of the Governor-General and mission

[3] The Protestant figure is taken from the "World Missionary Atlas," New York, 1925, p. 76; the Catholic figure is taken from the *Revue de l'Exposition Missionaire Vaticane*, Milan, 1924–1925, p. 644. Of the 11,700 Catholics about 2,800 are priests, 1,690 lay brothers, and 7,100 nuns.

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schools must use Portuguese to the exclusion of the native language. Missions cannot establish an out-station or school unless the native in charge has obtained a letter of identity from the administrator which will not be issued unless the native speaks Portuguese. The Governor-General may abolish any mission if it "becomes harmful to the interests of the National Sovereignty."[4] The Portuguese Government also requires European missionaries engaged in educational work to secure a Portuguese certificate commonly called "segunda grau", which American missionaries obtain after a residence of eight or ten months in Portugal. Likewise the government requires in theory foreign medical missionaries to obtain a Portuguese medical decree. It seems that only one such missionary has received this degree. At present, however, the government allows medical missionaries to practice among natives by sufferance. The same rule in regard to the licensing of missions and the necessity of educational and medical certificates is followed in French territories. Neither the French nor the Portuguese allow foreign missionary societies to become incorporated or to hold land. While land may be held in the name of an individual, this system creates many inconveniences.

The French also prohibit mission schools to use the native language. In 1921 they attempted to enforce this prohibition upon the American Presbyterian Mission in the Cameroons. But partly following the intervention of the American State Department, and the signature of the treaty of February 13, 1923, granting Americans the right, among other things, to "open schools" in the mandates, the French agreed to suspend the law prohibiting the use of the native language for three years. Although this period has long since come to an end, the French Administration has made no move to enforce the law. Nevertheless, the situation is unsatisfactory since the law may at any time be applied. Missionary activity in both Portuguese and French territory seems to rest upon the discretion of local administrators instead of upon international guarantee. To realize the intention of the authors of the Act of Berlin, a supplementary treaty might provide that missionary societies should have the right to become incorporated, hold land, and use the native language in schools. Such an agreement might also provide for the reciprocal recognition of educational and medical diplomas.

[4] Decree no. 77, December, 1921, enacted by the High Commissioner for Loanda, Norton de Mattos.

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In certain respects, the Belgian Congo has been more liberal toward foreign missionaries. It grants missionary societies "civil personality" and authorizes them to hold land. It allows and encourages, as does the British Government, missionaries to use the native language in their schools. On the other hand, the Belgian Government follows certain policies which it is difficult to reconcile with the principles of the Act of Berlin. It employs as teachers in government schools Catholic teaching congregations, such as the *Pères Salésiens* who place clerical instruction at the head of the curriculum and who hang crucifixes in the class room. The Congo budget makes an annual grant to Catholic missions of several million francs by virtue of the Concordat between Leopold II and the Vatican in 1906. In 1926 the Congo adopted a policy of granting educational subsidies of an additional three million francs to "national" missions. As there are no Belgian Protestant missions in the Congo proper, these sums go entirely to Roman Catholic missions. This policy strengthens natives in the belief — which is advanced by many priests — that Catholicism is the favored religion of the territory.

Following Belgium's example, the Portuguese Government enacted a decree on October 23, 1926, accepting the "coöperation of the Portuguese Catholic missions." The government agrees to grant annually 1,350,000 escudoes to these missions to train missionaries; while it agrees to pay the salaries and to grant a pension to Portuguese Catholic priests. The decree states "that the general program of the national missions is to defend the interests of the Portuguese colonial empire . . ."

This discrimination against foreign Protestant missions is bound to create ill-will among missionaries on the spot, while it would appear to conflict with the provisions of the revised Act of Berlin which obligates both Belgium and Portugal to favor religious institutions "without favor of nationality or of religion." Such is the opinion of a semi-official commentator on Congo constitutional law.[5]

The convention which revised the Acts of Berlin and of Brussels in 1919 provides that at the end of ten years a new conference to discuss the problem of Africa shall be called — which

[5] M. Halewyck, "La Charte Coloniale," Brussels, 1910, Vol. I, p. 191. In the Panama Canal tolls controversy, the British Government stated that "If the United States exempt certain classes of ships from the payment of tolls the result would be a form of subsidy to those vessels which His Majesty's Government consider the United States are debarred by the Hay-Pauncefote Treaty from making." *Foreign Relations of the United States*, 1912, p. 486.

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will be presumably held in 1931.[6] At this time an opportunity will be given to discuss the desirability of extending international obligations with a view to, (1) the preservation of what is worthwhile in native institutions, and safeguarding native rights in land and labor; (2) the more specific and extensive application of the open door in trade and missionary enterprise.

Of equal importance to the acceptance of these obligations is the establishment of some international machinery to secure their observance. Twenty years ago vital differences arose over the definition of the obligations of the Act of Berlin which led to an offer of arbitration by the British and American Governments. But Belgium and France both rejected the offer, and as the convention itself contained no such obligation, these differences were never settled. A step forward was taken in the Saint Germain conventions which provided for arbitral decision in accordance with the League of Nations covenant, and in the mandates and in the Slavery Convention which provide that such differences should be decided by the International Court of Justice. The importance of this procedure was illustrated in the Mavrommatis case relating to the British mandate in Palestine.

As a rule, however, the judicial means of defining and securing the enforcement of international obligations in regard to administrative policy is not entirely satisfactory. One government is not likely to haul another government before an international court because of the alleged violations of the rights of a few missionaries or traders, especially when it has political questions of importance pending with the other government. Except in the case of atrocities of long duration, no government will invoke the obligations of an international treaty on behalf of the native population of a foreign territory where it is alleged that these obligations are being violated. Consequently some less formal and less legalistic system must be established — a system which individuals, as well as governments, may employ in their own behalf. Such a system was established by the Treaty of Versailles in the Mandates Commission which scrutinizes the administration of the mandated territories. In this task it is aided by an Annual Report from each mandatory power. If international obligations in regard to the non-mandatory parts of Africa are to be defined and observed, the establishment of machinery similar to the Mandates Commission seems necessary. In view, however, of the present temper of the

[6] The convention was ratified by France in 1921.

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mandatory powers, it is practical only to establish a commission with advisory functions. Whether or not such an agency is created, each colonial government should agree to present to the Secretariat of the League an Annual Report as to the measures taken to carry out its treaty obligations. At present the world is uninformed as to colonial affairs. The French colonies publish no Annual Reports; the British colonial reports are merely statistical summaries of the colonial Blue Books; the report on the Belgian Congo is usually two years out of date when it appears. The contrast is great when one turns to the remarkably full reports presented by the mandatory powers to the Council of the League.

The difficulties in extending international obligations and the establishment of administrative machinery in regard to the continent of Africa should not be minimized. Either openly or by implication strong opposition to existing obligations is frequently expressed. The Governors of British East Africa recently passed a resolution expressing their regret that the mandatory system did not allow any system of Imperial Preference being developed in East Africa. Belgian writers frequently protest against the open door restrictions upon the Congo, while French writers urged the termination of the open door in Dahomey and the Ivory Coast upon the expiration of the Franco-English agreement in 1928.[7]

It is this same school of writers which expresses such indignation and fear in regard to the German and Italian colonial movements. Apparently they desire to make out of each colony a national preserve from which foreign poachers should be rigorously excluded. Neither the British Dominions nor the French Government have been captivated by the criticisms of the Mandates Commission. And what is most heart-breaking of all, the British Government, which in certain respects was the author and chief advocate of the mandates system, has through Mr. Amery and Sir Austen Chamberlin gone out of its way to minimize the distinction between mandates and colonies and to criticise the Mandates Commission.

While much of this hostility toward international control is due to pure nationalism, the mere entrance of foreign capital and missionaries into territories belonging to weaker states, such as Belgium and Portugal, and their dependence upon foreign system of transport have created genuine fears of annexation. The copper

[7] Cf. P. Daye, "L'Empire Colonial Belge," Brussels, 1923, pp. 623, 630; O. Homberg, "La France des Cinq Parties du Monde," *Revue des Deux Mondes*, February, 1927, p. 689.

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mines of the Congo to-day rely upon railways and ports that are partly in British and partly in Portuguese territory. A fascinating game of international politics has been played in connection with some of these communications, notably the Benguela Railway, which when completed in 1930 will run from Lobito Bay in Portuguese Angola across the Congo into the Katanga — a distance of 2,100 kilometers, of which 800 kilometers is in Belgian and 1,300 in Portuguese territory. This railway has been constructed by a company really controlled by the Tanganyika Concessions, Ltd., a British Corporation. In order to increase its capital and apparently for political reasons, it is understood that these interests in 1914 carried on negotiations with Germany with a view to giving Germans a participation of sixty million marks in the Benguela enterprise. About the same time the British and the German Governments also secretly drafted a convention which divided the Portuguese colonies into spheres of influence, placing the northern part of Mozambique and Angola under German control, and the southern parts under British control.[8] This draft agreement provided that in case the Portuguese Government did not give the necessary protection to German or British interests, the German and British Governments would after consultation take any measures deemed necessary to protect these interests each in its respective sphere.

When the knowledge of this agreement leaked out, it disturbed not only the Portuguese but the Belgians who had heard of the dream of a German *Mittel-Afrika*. While subsequent events dissipated this dream, the presence to-day of England in Tanganyika and Rhodesia, and the imperialistic pronouncements of South African statesmen have led many Belgians to direct their fears against the British Empire.

In order to finance construction work of the Benguela Railway at the end of the World War, Mr. Robert Williams of the Tanganyika Concessions, Ltd. attempted to float a loan of three million pounds in London, under the Trade Facilities Act which authorizes the British Treasury to guarantee the payment of loans to be employed on undertakings which will promote employment in the United Kingdom. This guarantee would lessen interest charges materially. But General Smuts, when Prime Minister of South Africa, protested to the British Government against this loan

[8] The text is published in "Die Grosse Politik der Europaischen Kabinette," 1871–1914, Berlin, 1926, Vol. 37, p. 66.

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on the ground that the Benguela Railway would compete with the South African Railways. When General Hertzog became Prime Minister he withdrew these objections. Mr. Williams has now secured his loan and the road is nearing completion.

While the Benguela route is shorter to the West Coast from the Katanga than any other route, except via Beira, and while the port of Matadi is already over-crowded, many Belgians nevertheless are afraid of the Benguela route on the ground that it will be a British controlled railway serving a Portuguese port. Their fears were increased by a speech of Mr. Robert Williams in 1921 to the effect that the British could use the Benguela Railway as a route to Egypt or India in case the Mediterranean and Suez should be blocked in time of war.[9] Largely for this (political) reason, the Belgian Government is now pushing the construction of the "B. C. K." Railway, linking the Katanga with Kinshasa via the Kasai.

Similar difficulties over communications have disturbed the relations between Portuguese East Africa and the Union of South Africa. In 1922 the Smuts Government served notice on Portugal terminating the convention of 1909 under which the Union of South Africa enjoyed the use of the port of Lourenço Marques, and under which it secured the right to recruit Portuguese natives for the Transvaal mines. In negotiations for a new agreement the Smuts Government demanded the establishment of a harbor board which, according to the Portuguese, would give South Africa control over the port and terminal facilities. Despite pressure which included the suspension of the entrance of Portuguese natives into the Union and taking off dining cars from the Lourenço Marques train upon entering Portuguese territory, the Portuguese stood their ground and the convention was not renewed. On his way home from the Imperial Conference in 1926 General Hertzog stopped off at Lisbon in the hope of removing differences of opinion. But no convention has as yet been signed, apparently because the South African Government still insists upon control over the terminal facilities of Lourenço Marques. The Portuguese declare, with a good deal of justification, that this port is one of the best administered in Africa, and they believe that the South Africa demand is animated by political motives. They do not feel kindly toward South Africa, also, because of its failure to keep its promise to construct a railway from Johannes-

[9] Cf. R. Williams, "The Cape to Cairo Railway," *Journal of the African Society*, July, 1921.

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burg to the Swaziland border. Portugal built its section of this road some years ago, but it cannot profitably operate it until the South Africa section is completed. The demands frequently expressed in Rhodesia for some control over the port of Beira have added to Portugal's fears.

Moreover, the mere presence of British trading firms, and American and British capital and missionaries, in French, Belgian, and Portuguese territory has introduced a foreign influence which has been disturbing to sensitive souls. In the Belgian Congo only 61 percent of the European population is Belgian; and until recently half of the European population in the copper region of the Katanga has been non-Belgian. The belief is frequently expressed that the salaries of Protestant missionaries is paid by their respective governments! The preamble to the Portuguese decree of October 5, 1926, subsidizing Portuguese Catholic missions, frankly says that foreign missionary organizations have not had "the Portuguese soul" and that in many cases they have served aims unfavorable to Portugal. Foreign missionary agencies have even "been found out to be hotbeds of intrigues" not only among natives but in Europe and North America, resulting in the enunciation of statements hostile to Portugal. They have been guilty of "cavilling *foreignisme*."

All of these fears, to one who believes that the pre-war diplomacy has been abandoned, seem unreal. There is reason to suppose, however, that the pre-war method of thinking still persists in Africa. There is a fear, which may indeed be the result of a guilty conscience, that the lusty nation of South Africa, animated by the old dogmas of Cecil Rhodes and the patriotism of the Boers, may at some date make trouble for its neighbors, and that a German or an Italian dictator may, under the guise of protecting nationals, occupy African soil. In the eyes of many colonial powers the only result of extending further privileges to foreigners in their colonies would be to increase the hold of the stronger powers and pave the way for intervention. These fears are, no doubt, exaggerated, but they make good trading points. Until they are removed, it is doubtful whether further progress toward international control can be made. They can best be removed by extending to the colonies of Africa some form of territorial guarantee through the negotiation of an African Locarno. In return for accepting the obligations outlined in the first part of this article, the colonies of Africa might receive the assurance of the

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European powers, South Africa, and the United States that as far as these powers are concerned these colonies shall not be the objects of aggression.

Despite the fact that the United States holds no territory in Africa there are historic, humanitarian and material reasons in favor of its association in any international effort to promote African welfare. The ancestors of the twelve million negroes in the United States were torn from the African continent — a fact which perhaps has placed this country under a greater debt to the black continent than any country in Europe. Explorers having American connections, such as Stanley and Chaillu, were among the first to open up the center of Africa. For more than a hundred years the United States has taken a paternal interest in the Republic of Liberia. Representatives of the United States signed the Act of Berlin of 1885 and while President Cleveland did not present it to the Senate out of fear of foreign entanglements, the United States did ratify the Act of Brussels of 1890, subject to a Senate reservation. In 1919 the United States signed the African conventions negotiated at Saint Germain. In the following years it signed treaties securing Americans equal rights in the mandated territories — treaties which have been ratified.

For some reason the State Department has not sent to the Senate the Saint Germain conventions, one of which provides for the open door for traders and for missionaries in Africa and the welfare of the African populations, and another for the prohibition of trade spirits. As yet the United States is not a party to the recent League of Nations Slavery Convention. In view of American missionary interests and of the American negro population, it is desirable that the United States Government ratify these agreements. When one witnesses the growing investments of American capital in the African continent, this action seems more imperative than ever. Liberia has recently granted Mr. Firestone a mammoth concession, and the Portuguese are at present endeavoring to float large loans in the United States. The object of both Liberia and Portugal is as much political as economic. They wish to play American influence against the possibility of European and South African aggression. It is important for the United States to realize the complications in which it may become involved. It is even more important for the United States to coöperate in placing under some form of control the entrance of large investments which, if misguided and uncontrolled, may

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make havoc with the native population. A step in this direction would be the creation of new consular posts in central Africa. At present this government maintains consuls only in Loanda, Monrovia, and Dakar on the West Coast, and in Nairobi and Lourenço Marques on the East. The establishment of new posts, manned by experienced officers, instructed to study carefully the social conditions of the territory before passing favorably on investments, would give the Department information which it lacks at present. Their officers might even be instructed to inspect labor conditions on enterprises where American capital is invested.

Sooner or later Africa will follow the way of the Orient. In the African's struggle to become free, he will be assisted by the American negro, who furnished the money, if not the leadership of the Garvey movement, and who to-day supports the more conservative Pan-African Congress. The *Gold Coast Leader*, an African newspaper, recently declared (July 17, 1926), in commenting on the weakness of the League of Nations, that "in the face of all this the world is thinking and thinking desperately. Some think white, some think black, others think yellow. It is essential that the black man should think black. In the struggle for a place in the sun no one is going to look after you unless you look after yourself . . ." The extremist activities of the native Industrial and Commercial Union in South Africa, under the leadership of Clements Kadalie, the large number of politico-religious movements, such as the Thuku episode in Kenya and the Kimbangu trouble in the Congo, are further indications that the black man is lifting his head.

It will be futile if the white governments in Europe and America attempt to stamp out the negro's aspirations. The intelligent governments in Africa to-day are attempting to train their populations so that eventually, even if after a hundred years, they may be able to govern themselves. If the governments of Europe and of the United States would coöperate in giving places of employment in Africa to skilled American negro doctors, artisans and teachers, the American negro population might become interested in the constructive problem of gradually elevating the continent of Africa to its place in the family of continents instead of supporting anti-racial and revolutionary movements which will be as disastrous to blacks as to whites.

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A YEAR OF M. POINCARÉ

By J. A. M. de Sanchez

RAYMOND POINCARÉ formed his National Union Ministry on July 22, 1926. In the twelve-month since he became Premier and Minister of Finance he has brought the financial problem with which France was then faced within sight of final solution. The nature of the problem which confronted him was stated with admirable clarity in the report made public on July 3, 1926, by the French Committee of Experts, and need not be re-stated here in detail. However, it is perhaps useful to outline briefly certain of the main events which preceded M. Poincaré's assumption of office.

Following the Armistice the French people were faced with the choice of restoring the nine devastated Departments of France or of applying themselves to prompt fiscal rehabilitation. To have undertaken both tasks simultaneously might have risked double failure. At all events, successive French Governments addressed themselves primarily to the solution of the problem of physical reconstruction in the hope that with the aid of Reparation Payments they could maintain the fiscal situation in *status quo*. It soon became apparent that no important sums would be received from Germany in the years immediately following the war. But reconstruction was already in full course and it proved necessary to finish the work unaided rather than abandon it half completed. It is not necessary to analyze at length the effect of this decision on French public finance. Suffice it to say that successive Finance Ministers, hampered as they were by recalcitrant Chambers, were unable to raise the funds necessary for reconstruction and at the same time balance the Budget and avoid currency inflation.

When M. Poincaré took office matters had definitely come to a head, the Budget was not balanced, the floating debt had become unmanageable and had ceased to float, the State was without current funds, the franc was at 248 to the pound sterling, and it was obvious that the State soon must either have further recourse to the issue of paper money in order to avoid openly repudiating its obligations or undertake promptly some such comprehensive program of fiscal reconstruction as had been recommended by the Committee of Experts.

Physical reconstruction had meanwhile been approximately 90

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percent completed, and the remaining task in this respect was not great. It was the fiscal situation which was so bad as to seem hopeless to many observers both in France and abroad, and it was to the solution of this problem that M. Poincaré at once addressed himself.

He had not been long in office when he realized that the cornerstone of any program of fiscal rehabilitation was a balanced budget. French budgets had previously been divided first into three categories — Ordinary, Extraordinary and Recoverable — and later into two — Ordinary and Recoverable. This multiplicity of budgets designed to distinguish between recurrent, special and non-recurrent expenditures and receipts served simply as a thin disguise for the fact that the State's current expenditure exceeded its current revenue. In his report of June 10, 1927, the Agent General for Reparation Payments commenting upon the similar German practice of presenting the Reich's accounts in separate budgets states the fundamental objection to such budgetary method in the following terms: "The effect of all this procedure is to present the financial position of the Reich in a most artificial light. . . . This system of accounting, in other words, permits budget surpluses to be shown which do not actually exist and which will only come into existence in the future to the extent that loans are actually placed."

Such criticism can no longer be applied to France. On August 3, 1926, M. Poincaré required Parliament to vote increased taxation of 9,300,000,000 francs in order to balance the State's expenditure and revenues. At the same time budgetary accounting was so simplified that it is now possible to obtain a complete and accurate view of the State's accounts without expert knowledge and months of hard work.

The Budget for 1926 was the first since 1913 to be balanced in the fullest sense of the word. Indeed the fiscal year 1926 ended with a real surplus of current receipts over current expenditures in excess of one 1,592,000,000 francs — a sum which has since been devoted to a retroactive increase in the pay of civil servants in the lower grades. Furthermore, M. Poincaré presented to the Chamber and had voted before the beginning of the year a fully balanced budget for the calendar year 1927, which to date shows a real surplus of receipts over all expenditures of slightly over 700,000,000 francs. The 1927 Budget, it should be noted, provides about 4,300,000,000 francs for Debt Amortization in

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addition to 3,500,000,000 francs with which the Caisse d'Amortissement is endowed for the purpose of retiring Bons de la Défense Nationale. The year 1927, therefore, should close with a net reduction of the public debt, the best of all proofs of budgetary equilibrium.

Assured that current expenditures would be met from current revenue, M. Poincaré next turned to the question of the floating debt. His primary aim was to avoid forced consolidation such as had been found necessary in neighboring states. To this end he created by Constitutional Act, a Sinking Fund Commission (Caisse d'Amortissement) under independent management to care for the renewal and retirement of Bons de la Défense Nationale. To this Commission the product of the Tobacco Monopoly and certain tax revenues were assigned. Its operations from the start have been attended with uniform success. In order to assure itself a reasonable working capital it began last autumn by offering a long-term amortizable loan which was attractively priced and hence was considerably over-subscribed. This was the first government or semi-government long-term internal loan which had been successfully sold in nearly four years. With its cash position thus assured, the Commission has gradually converted some twelve billion francs of one, three and six month bills into one and two year bills. Its position is now so strong that it no longer even offers one year bills for sale or renewal, the holders of these having no option but to accept payment for their bills as they fall due or to convert their holdings into two year bills. In addition, it progressively reduced the interest rate on one year bills from six to three percent and pays only four and one half percent on two year bills. This difference in interest rate has been a factor in driving investors away from the one year notes to the two year notes at a pace of about 2,000,000,000 francs per month. As no two year notes were issued until December 16, 1926, it will be noted that so much of the floating debt as is included in the two year note class does not present itself for payment until December, 1928.

Through the above operations the Commission has reduced the average monthly maturity of bills from nearly seven billion francs to under three billion francs. With the return of the investor's confidence in the Government's will and ability to meet its obligations, the Commission has found it difficult, however, to reduce the actual total of the Bons de la Défense Nationale under

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its control. In spite of the consolidation in May of over 7,300,000,000 francs, or approximately 15 percent of the total bills outstanding as of April 30 last, the issue of such "bons" remains somewhat above the level of a year ago.

Early in the current year M. Poincaré, as part of his program of floating and short term debt consolidation, offered a loan designed to consolidate short term debt maturities for 1927. This issue paid an adequate interest rate and was successful. Provision thus has been made to care for short term debt maturing this year. Between April 25 and May 25 last, a further consolidation loan designed to fund short term debt maturing (in some cases at the option of the holder) in 1928 and 1929 was sold. These maturities totaled 18,450,000,000 francs. This issue also attracted heavy subscriptions, and debt maturities for the next two years have been reduced to 7,500,000,000 francs, a sum fully within the Treasury's capacity to handle.

The effect of the above operations has been to reduce heavily the total short term debt and in addition to change the floating debt into longer and longer maturities.

In the meanwhile M. Poincaré did not neglect the purely monetary aspects of his problem. By the law of August 6, 1926, the Bank of France was authorized to purchase gold, silver and valuta (foreign exchange) and to issue francs for this purpose in excess of the amount authorized by law, such excess issue, if any, to be shown in the circulation figures. The Bank is required to hold the gold and silver or valuta so purchased as reserve against the excess notes issued. Under this law the Bank of France has purchased whatever valuta offerings have been made in excess of those which the exchange market in the ordinary course of business would absorb. In addition, the Bank has purchased gold and silver coin in France at prices somewhat below the world prices of such metal. The inauguration of this policy in the late summer of last year was one of the causes of the rapid recovery of the franc to 124.2 per pound sterling, at which price it has been held by the Bank of France since December 20, 1926. The return of confidence on the part of the French public in the solidity of its Government's financial position, of course played some part in the swift rise of the franc last fall as did in a certain measure the borrowing abroad by various French railroads, et cetera, of approximately one hundred million dollars. This sum, however, was not held by France but served to obviate exchange

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purchases in order to pay off certain indebtedness due to Holland, Switzerland, and other countries, and to meet normal interest and sinking fund payments on the Government's foreign commercial debt.

Subsequent to the decision to hold the franc at 124.2 francs per pound sterling, the Bank of France and the French Treasury have come into possession of very important valuta reserves. These reserves are freely estimated by the French press to be now in excess of one thousand million dollars. This sum apparently represents a net gain of valuta, since early in the current year the French Treasury and Bank of France together made a heavy payment in liquidation of the debt to the Bank of England and the Treasury has further met payments on war debts to the British and American Treasuries in addition to meeting the normal charges on its foreign commercial indebtedness.

The process by which this great valuta reserve was accumulated seems to have been somewhat as follows:

Purchases of valuta were made in the first place not because the Bank particularly desired to accumulate additional foreign exchange reserves but in order to keep the franc from rising above the selected level. The francs issued to purchase such valuta have not, however, in fact increased the bank note circulation. The seller of valuta has apparently been taking the francs which he received in return for his sale of foreign exchange to a deposit bank. The Bank of France does not pay interest on deposits with it, and there are no longer any short term bills in which the banks of deposit can readily invest their funds. These banks, because of the slight commercial demand for funds, have been at a loss to know what to do with their money. The result has been that the banks of deposit have been driven to place their excess funds on demand deposit with the Treasury, which for some time paid interest thereon at the rate of 1.6 percent per annum free of tax. At the end of July of this year, however, the interest rate paid on such deposits was reduced by the Treasury to approximately 1.25 percent.

These abnormally low interest rates are of course due to the plethora of ready funds. The funds deposited with the Treasury in the process described above have been used by it to reduce its indebtedness to the Bank of France and thus increase its borrowing margin with that institution. The result of the whole process has been that since July 22, 1926, the debt of the Bank to the

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Treasury has been reduced from 38,550,000,000 francs to 26,250,000,000 francs on July 21, 1927. The bank note circulation, on the other hand, during the same period fell from 55,000,000,000 francs to 53,131,000,000 francs.

Some part of the money which has been attracted to France with the return of confidence in her credit has come from foreigners who have become interested in investing in French securities. Not only American investors, but Dutch, British, German and Swiss have been heavy buyers of French internal securities. There is perhaps some element of peril in such investments, because funds may be repatriated after profit-taking, the law which prohibits the export of French capital not being applicable to foreigners. But a considerable portion of the foreign investments in France are thought to be there to stay. While it is of course impossible to determine to what degree foreigners have taken part in the recent flow of foreign funds to France, there seems to be a tendency in some quarters to overestimate their share in the movement. In France it is believed that perhaps one-half of the French funds which went abroad during the flight from the franc in 1924, 1925 and 1926, estimated in the French Economic Year Book for 1927 at $1,500,000,000, has now returned.

The demand deposit account which is being carried at the Treasury has caused some concern. The amount of these demand obligations on July 22, 1927, was over 10,000,000,000 francs. Late in June the Government issued a long term internal loan for the purpose of funding such portion of this indebtedness as was not really required in the form of liquid funds. According to semi-official reports this loan produced some 4,700,000,000 francs in cash. It must be remembered in connection with these Treasury deposits that the short time floating debt has practically disappeared and that no one, three or six month obligations are now being issued. It should also be noted that the deposits with the Treasury at 1.25 percent interest represent almost exclusively the funds of banks, insurance companies and large corporations. The minimum amount that may so be deposited is 500,000 francs. On the other hand the larger part of the floating debt as formerly constituted was held by small investors.

Perhaps it is necessary to draw attention to the fact that the large foreign exchange balances now held by the Treasury and the Bank of France do not represent the acquisition of new wealth either by French citizens, the Bank of France or the French

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Government. They represent largely the assets of individual Frenchmen or foreigners which were formerly held outside of France. When the Government inaugurated its comprehensive program of fiscal reform and it became apparent that the Budget was really balanced, that the danger of unlimited currency inflation had been removed, and that a forced consolidation of the floating debt need no longer be feared, owners of capital, as has been said, regained confidence in the State's integrity and moved their funds into France for investment. What has taken place, therefore, is the transfer of rights to foreign balances from a great number of individuals, French or otherwise, to the Bank of France and the Government.

The amazing transformation of the fiscal situation of France which has been outlined above has not been without effect on the industrial condition of the country. The French franc after a period of rapid appreciation has now been held at a fixed price for seven months. The result, as nearly as such things can be measured, appears to have been to force the rise of French prices to fairly close to the world level. On the whole, the industry and commerce of the country have withstood this rise of prices fairly well. Trade is of course not as active as it was during the inflation period, but the slackening which followed the appreciation and *de facto* stabilization of the franc did not cause unemployment in excess of some eighty thousand at the peak and there has been a subsequent reduction to approximately fifteen thousand. Furthermore, foreign trade and tax figures for the first six months of the current year do not indicate any considerable decline of activity. Indeed, recently published foreign trade figures indicate an *increased* volume of trade, both in exports and imports. French industry has shown surprising capacity for adjusting itself to *de facto* stabilization at the current level.

The return of Alsace-Lorraine and the prompt reconstruction of the northern industrial section have had a profound effect on the French national economy. France seems to have entered definitely into the ranks of those countries whose balance of trade is in equilibrium, or nearly so. This fact is important, as it would seem to confirm the fact that the balance of payments is and seems likely to remain in France's favor.

Certain observers have contended that the success which M. Poincaré has had in handling the problem of French fiscal reform has been almost wholly due to the confidence of the average

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Frenchman in his personal integrity and capacity. To such confidence is certainly attributable the halt in the flight from the franc immediately after he took office last year. But confidence would not have been maintained had not his actions proved it well founded. In the space of one year he has balanced the Budget, consolidated the greater part of the short term debt maturing in the next three years, reduced monthly maturities of floating debt by over one-half, put an end to all talk of forced consolidation, and paid off a portion of the short term foreign indebtedness of the State. These measures have been the basis for the return of capital to France, for the maintenance of the franc at the selected level since December last, and for the acquisition by the Bank of France of valuta reserves for its protection. M. Poincaré may thus be said to have fully justified by his choice of means and by his energy in applying them the confidence of those who held that his accession to office meant the inauguration of a period of thorough-going fiscal reform.

France is of course still faced with many serious problems. But the past year has proven beyond doubt that under competent leadership the French people have the capacity to meet the problems of peace as they so well proved their capacity to stand the shock of war.

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THE PIONEER FRINGE

By Isaiah Bowman

WE have reached the stage of a five-dimension world. To the three classical dimensions of space we now add a fourth dimension of time and a fifth dimension of quality. From the earliest days of civilization to the present, quality has been the counsel of perfection. Only the occasional philosopher promulgated the truth that it is better not to know how to do a thing than to know how to do it badly. With the growth of democracies in the modern era we have had for the first time whole communities of men raised to a level of education and control over material power that enabled them to believe themselves to be at least moderately critical of the quality of their cultural world. Not only have whole masses of men here and there been raised above the level of mere literacy: they have acquired high speed and organized knowledge. The effect has been felt upon the edge of settlement everywhere, upon all the "frontiers" of the world. In some it has pushed the pioneer forward into new lands; in others it has drawn millions off the land and gathered them into the cities. City growth is a world-wide phenomenon. The statesmen of every country deplore it. It is attacked by commissions and councils and legislatures and foundations, and still it continues, irresistible as an elemental force of nature.

It is on the edge of the inhabited lands that we have long seen most clearly the challenge of mankind to nature. Now in increasing degree man asks questions that nature alone cannot answer, for the questions have to do with the quality of culture that he may enjoy or endure and this is a matter of economic law no less than of nature and human spirit. In the face of the great natural difficulties that the pioneer belts of the world exhibit man is asking what is the quality of the life that the pioneer must lead. It is a new question in pioneering. It is asked in every pioneer region, Canadian Northwest, Rhodesia, West Australia, where white men lead in settlement. It is hard to think of a phenomenon more extraordinary in the civilized world of today than the rival ideas now working in men's minds: the one leading a man to undertake settlement in the undeveloped or poorly developed pioneer belts of the world, the other drawing him toward his own

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kind in cities and thus creating a host of social problems that challenge the invention and the statesmanship of public leaders.

Throughout central and eastern Europe the division of the landed estates implies land hunger and so, too, has the phrase "land hunger" been applied to the pioneer, conceiving this creature to be a young man bent upon winning from the wilderness with strong hands and the hope of youth a homestead for himself and an inheritance for his children. In using the phrase "land hunger" we overlook the interplay of far more complex forces that now rule our better informed world. Rhodesia and Australia want new settlers with "capital" and a thousand pounds is thought to be little enough. The pioneer is no longer a man armed only with a rifle and an ax, carrying a sack of meal, a piece of salt pork, and a few other necessities with him into a clearing in the forest or a sod hut on the plains. He is not only equipped in a totally different manner, sometimes even with modern machinery, but his incentives are no longer the same. It is indeed a question whether the pioneer spirit as manifested in the westward spread of settlers in the United States still exists or whether it has passed out — a fact of history, interesting enough in its time, valuable in its bearing upon our present character, but no longer a motivating force in the occupation of pioneer areas.

All the world has become interested in the land question, not merely through the division of landed estates in Europe or through the irrigation of arid lands but also through the existence of pioneer belts obviously underdeveloped or wholly undeveloped, obviously containing valuable resources, and with a political value that will rapidly increase through the present century. What is the reason for this interest in the fringe of settlement if people flock to the cities in increasing numbers and if abandoned farms are everywhere in evidence? If rural communities are in process of decay why should there be any concern about the land in which the pioneer is making his way? For one thing the problem is a challenge to science; for another it arouses our curiosity because of the anomaly in human behavior that it presents. In ten years, 1911–1921 (and chiefly for 1919 to 1921), 20,000 persons migrated into the Peace River Country of the Canadian Northwest, and the stream continues. West Australia is in the midst of a great extension of wheat farming and is rapidly acquiring population. In the corresponding period the farm

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problem in the United States became acute and the flow of population from the land has even reached the point of danger. Evidently there is much economics here as well as geography. Men hunger for land only when they can get it under favorable economic conditions. They ask much more of government than mere opportunity to own land.

We know, of course, why governments advocate settlement in new country. No government can afford to ignore the development of its resources. There is much clap-trap in the discussion of the agricultural question by government leaders but there is also much sound sense that makes a wide appeal to the masses of the people. There is the feeling that a growing enterprise is a healthy enterprise. When more land is occupied by a farming population, the demands upon the cities increase, land values rise, industries expand. To intrinsic values and assets is added the indispensable asset of hope: tomorrow will be better than today; the tone of business is good; new capital is invested. The phenomenon is familiar to all Americans who have sprung from any part of our expanding west. The sense of greatness invades the consciousness of even the humble. There is also the feeling that our kind of people ought to occupy the lands of which we are possessed. Believing in ourselves, we want more of our kind to inhabit the earth. This is true of most of the newer communities of men no matter where they are in the world.

Leaders may see even farther. Vacant land can be a source of political danger. It may attract another kind of people who also wish more land. A white South African policy has definite, even if distant, political objectives, but it also has social objectives of the highest order. Not the land alone or its resources but that land as a theatre for the working out of social and political ideals is at the root of the theory. The empty lands of the world are politically of two classes, active and passive. It is the business of government leaders not to permit any land that they may control to be politically passive. It is a source of power once its potentialities of settlement are realized. It not only helps "our own people" but it keeps out political and social undesirables.

Where are the pioneer belts of the world today and how should they be won to civilization? How shall one define a "pioneer" area? Where does close settlement end and pioneer life begin? We have to apply certain tests. The test of pioneer living is the small measure of control by the land settler over instruments

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of power. He has no telegraph line or he has merely a telegraph line and not a railroad. He has no made roads or he has only made roads, not motor roads. Our mail travels with high velocity. The mail of the pioneer may take a week to reach the railroad. A telephone call is made and forthwith an expressman stops at our door. If the pioneer wishes to make use of the facilities of transport it costs him more to reach those facilities than it does to make use of them. The list of his handicaps is too large to present in full detail. The few mentioned illustrate how wide is the difference between his enjoyment of the instruments of power, whatever their nature, and the degree of control that we enjoy.

Let us take South America as an example of how our test is applied. Upon Figure 1, a shaded area shows those parts of southern South America which are twenty-five miles or more from a railroad. It is true that this distance may be covered in an hour in an automobile on a well-surfaced road. It is also true that it may take an ox-cart or a pack train two days to travel the distance over muddy roads and at the end of such a journey one could well believe oneself a pioneer! In fact, by far the larger number of pioneers live not in the territory that is twenty-five miles from a railroad but in the ten to twenty-five mile strips that parallel the railroad. The shaded part of the map, therefore, includes potential pioneer land to a larger extent than land now in a pioneering stage of development.

Laid over the map is a heavy continuous line that exhibits certain seasonal elements that limit the pioneer. On the northern or high temperature edge of the favored area we have hot summers and warm winters; at the southern limit we have cold winters and cool summers. Outside of these temperature limits (*i.e.* equatorward of the one and poleward of the other), man is by no means excluded, but his handicaps have become much greater and his activities specialized and restricted. His form of living is so highly adapted that he does not possess the soil in the thorough-going way of full agricultural development. It is true that the rain-forest belts of the tropics, as well as the drier tropical lands about their borders, have large areas of soil capable of high development. But a tropical settlement is (for the white man) still like the medieval walled town: the wild beasts of legend are the microbes and the wall is medical science. It still costs too much to keep the wall in repair and this slows down commercial development — the one practical objective of the im-

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mediate future. The discussion that has raged over Queensland and North Australia as well as the actual condition of these territories shows that tropical settlement by the white man is still in the laboratory stage. The magic productivity of the tropics is a

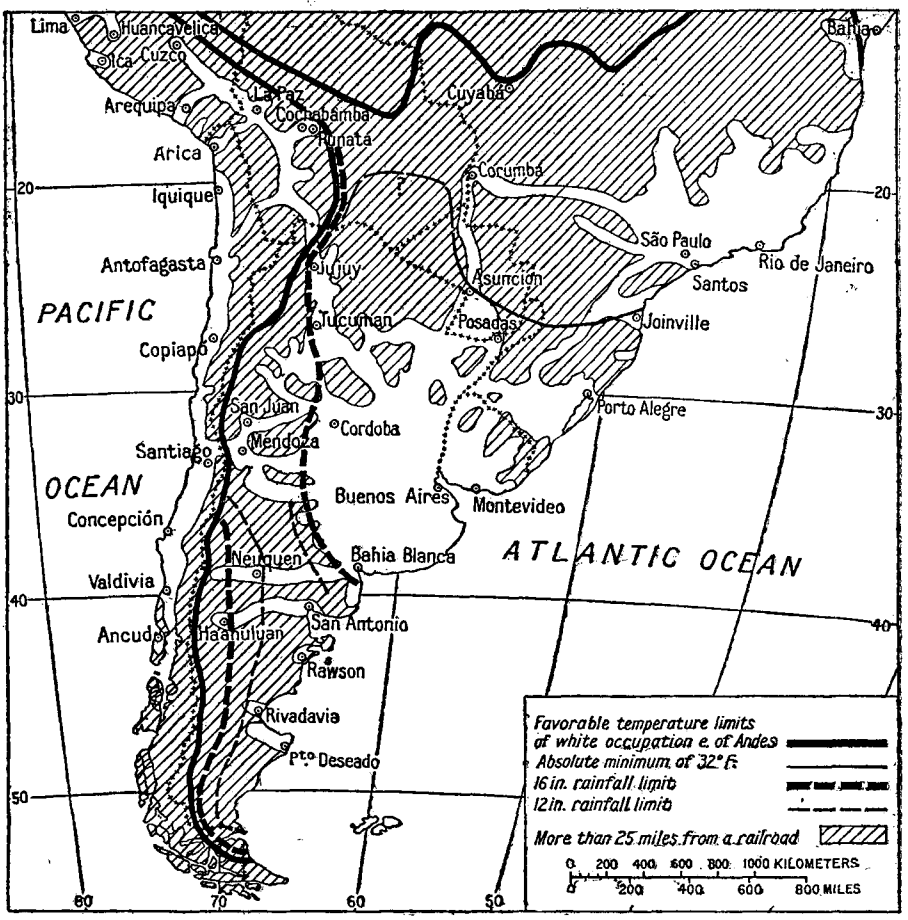

FIG. 1 — CONDITIONS OF SETTLEMENT IN THE PIONEER BELTS OF SOUTHERN SOUTH AMERICA

Rainfall and temperature set up outer limiting conditions. The heart of the better-favored country has the dense populations, the large cities, the close railway net. The extension of railways to the outer limits of possible close occupation is slow and settlement itself is more specialized as the pioneer advances toward the border of the better-favored land. The frost line on the map is reported in closed areas far to the northeast of the line on the map where a broad belt of Brazilian uplands and mountains marks out a corresponding belt of lower temperatures. The Paraguay River is added to the railway net because of its close relation to important railway terminals and the exceptional use made of it in transportation.

myth from the white man's standpoint. It is a fact if one accepts a low standard of living. For decent or high standards the obstacles are still formidable.

A second limitation of settlement is set by deficient rainfall.

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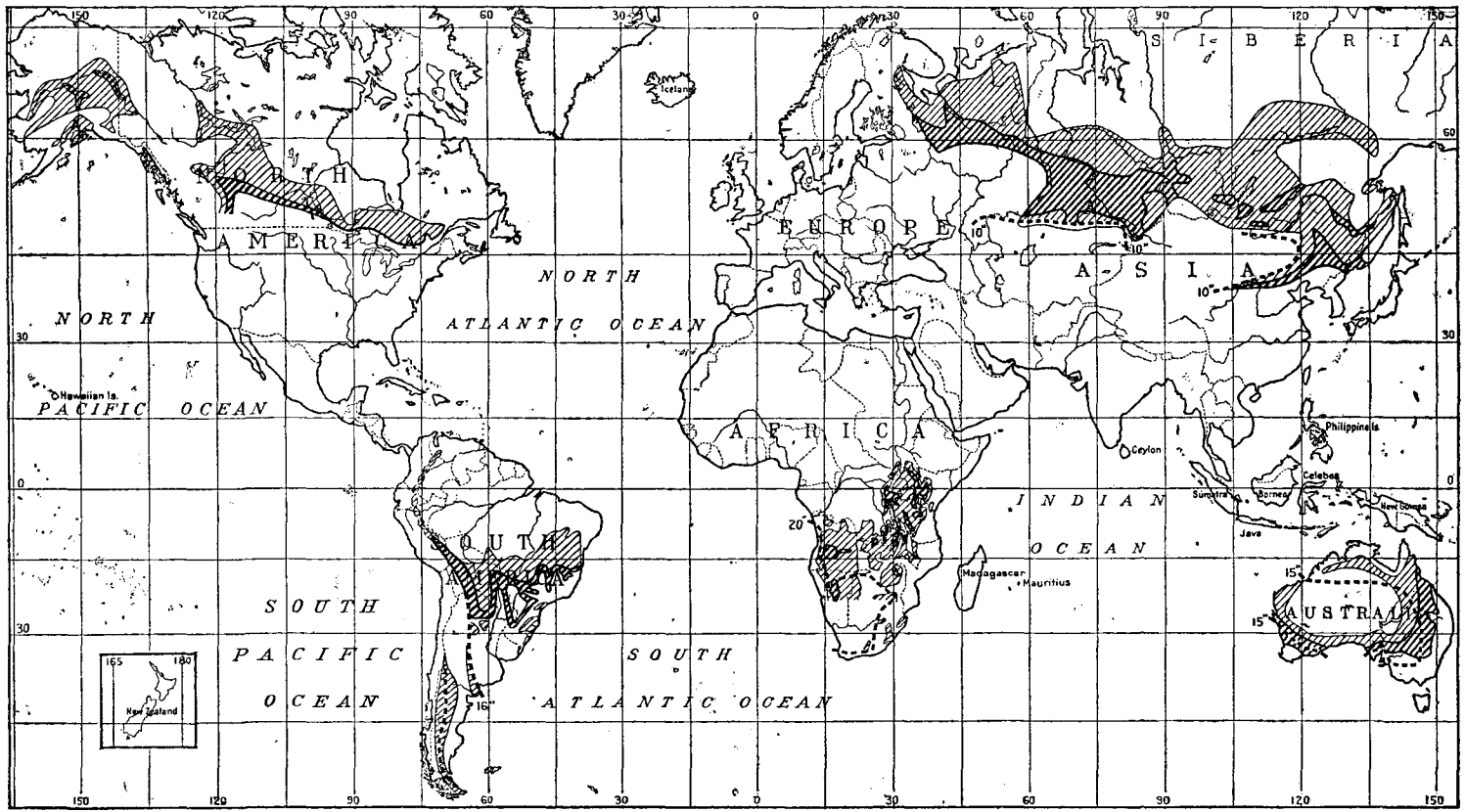

FIG. 2 — WORLD MAP OF PIONEER BELTS

The heavier shading denotes: (1) regions of relatively high development near railways or, in Alaska, waterways; (2) areas of rapid pioneer development in the Canadian northwest; (3) denser population and present pioneering fringe in Siberia and northeastern European Russia; (4) region of most rapid pioneering advance in past 40–50 years in Mongolia and Manchuria; (5) the "white man's lands" of South Africa, *i. e.*, over 1,500 meters elevation; (6) fair agricultural land in Australia now occupied only in small part by farmers; (7) the pioneer belts of South America most closely related to the outer limits of the railway net, or to temperate mountain zone.

The lighter shading denotes areas of readiest development. In some cases these limits are set by deficient rainfall, in others by too high or too low temperatures, in still others by special handicaps of drainage or vegetation. In Australia the lighter shading indicates fair pastoral land, in Africa the territory above 1,000 meters elevation, in Canada the limits of wheat growing, in Siberia the practicable though not absolute limits of agriculture.

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The broken lines of Figure 1 show the areas within which the rainfall is heavy enough to permit ordinary agricultural practice. At once the area of normal settlement is restricted or cut in half. We might restrict it still further by excluding from the pioneer area those strips adjacent to telegraph lines or motor roads and other improved roads. Eventually we are left with three large areas: two of them are located roughly in the Matto Grosso region and the Gran Chaco and a third in Patagonia. We know that here the pastoral industry is the only one of importance and that the fringe of settlement is broken and feebly occupied. Within the area of potential development we see further restrictions. Here is a porous soil that absorbs the rainfall so quickly that it is markedly sterile or semi-arid, supporting only drouth-resisting vegetation. In another part of the country sawgrass grows in substantial amounts; it lacerates the mouths of grazing animals, and this tends to restrict the grazing industry and still further limit the area of possible development. In southern South America patches and strips of agricultural land occur in Patagonia along the base of the mountains and on the transverse valley floors. An investigation of each pioneer belt would show the limits of those rigorous conditions of too porous soil, of repellant vegetation, of distant and unaccessible tracts regarding which expert knowledge is demanded if intelligent communities of people are expected to settle in the wilderness.

No pioneer area is a broad unbroken belt; it is rather a series of scattered patches and strips loosely disposed in belt-like form beyond the fringe of present settlement. Taking a world view we see the pioneer lands in a rough zonal arrangement, each continent having its share. A world map (Fig. 2) shows a belt in each temperate zone and a large number of "spots" still in the pioneering stage. It shows two similar zones of subtropical development of which the southern has by far the largest extent, large enough to be shown on even a small world map. The rain forest belts of the tropical zones we have already mentioned as a special case. The "pioneer belts" map of the world includes only a little land in the United States, but much more in Canada — a broad belt reaching from the prairie states eastward across northern Ontario and parts of Quebec with their newly developing "clay belts." In Asia it includes much territory on either side of the belt of settlement that has followed the Trans-Siberian railroad, expanding northward to distant subarctic limits of agriculture and

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eastwards to include most of the Amur country and especially northern Manchuria and Mongolia. In these two northern territories of China on a thousand-mile front the country is filling up at so rapid a rate that political rivalry and questions of sovereignty are more acute than before the World War. In the beginning of 1925 China signed a treaty with Soviet Russia restoring to Chinese sovereignty these two important areas, though giving Russia renewed rights over that most important key instrument of empire, the Chinese Eastern Railway. When we learn that forty years ago in northern Manchuria there were but three or four millions of Chinese where now there are fifteen millions we realize how fast the fecund Chinaman has pushed along the political problems of our time in one of the largest pioneer belts in the world today. In Inner Mongolia, Buxton notes an advance of the edge of settlement of 50 miles in 50 years northwest of Kalgan. Members of the Third Asiatic Expedition have reported an advance of four or five miles a year in some places. The Chinese agricultural pioneers, who oddly enough are chiefly Mohammedan, are here crowding back the Mongolian nomads and creating "outside the Wall" a new set of political problems and forging social and economic changes whose bearings we cannot yet see.

Every government is faced with the necessity of backing up its own settlers, its pioneers. Every government has a policy in relation to this class of person and to the lands that they occupy. These things are no longer isolated phenomena, each continent and country individually to solve its own problems of land division or land settlement. The world community is now sensitive to the happenings in its distant and separate parts. The international trade in wool and cotton shown in Figures 3 and 4 reveals this sensitiveness in a remarkable way. The textiles are closely related to each other and the conditions under which they are produced affect the welfare of the most widely separated communities. The agricultural practice of the United States during the next twenty-five years will develop not alone in accordance with the demands of our own cities and with development of our own lands but will be affected by what happens in Canada, Matto Grosso, and Australia. We shall constantly want better knowledge as to what happens there. Economic laws will oblige us to know, whether we want to or not. The effect of an invention that becomes a new instrument of power in agriculture is felt all over the world, for the agents of distribution carry it to the most

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distant fields and when it is put to work upon the land its cost and the cost of labor and the cost of land and the cost of transportation and the standard of living of the producer and the capacity of the buyer to buy all make an equation whose factors are of world origin not of local origin merely.

We see the bearing of pioneer areas upon world commerce perhaps most clearly in the case of grazing products. The shrinkage of the world's pasture lands is a fact. Every government is concerned with the problem. The cost of meat and hides is rising constantly. Despite slight variations in the price level there is a general upward trend. It is doubtful if there will be an end to the process. Only a great catastrophe to the human race would stop the shrinkage in area of grazing lands. Only a check to civilization would halt the process.

One might well suppose at this point that the picture is overdrawn, for cattle are raised in larger quantities upon lands of "close settlement." But there is a limit to cattle raising upon close-settled lands and the limit is set not by the taste of humans for meat but by economic law. A beast is a wasteful means for transforming vegetable life into human food. With growing density of population the route from the soil to the table must be shortened. With increasing density of population less meat and more vegetables is inexorably demanded. It is precisely in the pioneer areas, where man is living in more detached communities or where he has not yet penetrated at all, that we see a temporary means for slowing down though not stopping the rise in the prices of meat and hides.

It looks, at first sight, as if it would be simple enough to achieve the occupation of vacant or undeveloped pioneer lands if the demands for pastoral products are increasing; but, unfortunately for so simple and beneficent a result, the qualities of men themselves have changed. Humanity is not the same today as it was yesterday. This is true of the prospective settler no less than of the upper classes in the confines of the towns. In men's heads are certain social concepts, certain standards of living, which make them unresponsive to the call of the cities for products from cheap pioneer lands. In earlier days when the settlement of our own west was proceeding rapidly, a man left society behind him when he went from the city or compact community to become an isolated dweller in the wilderness, but he left little more. In his home community there was only a low level

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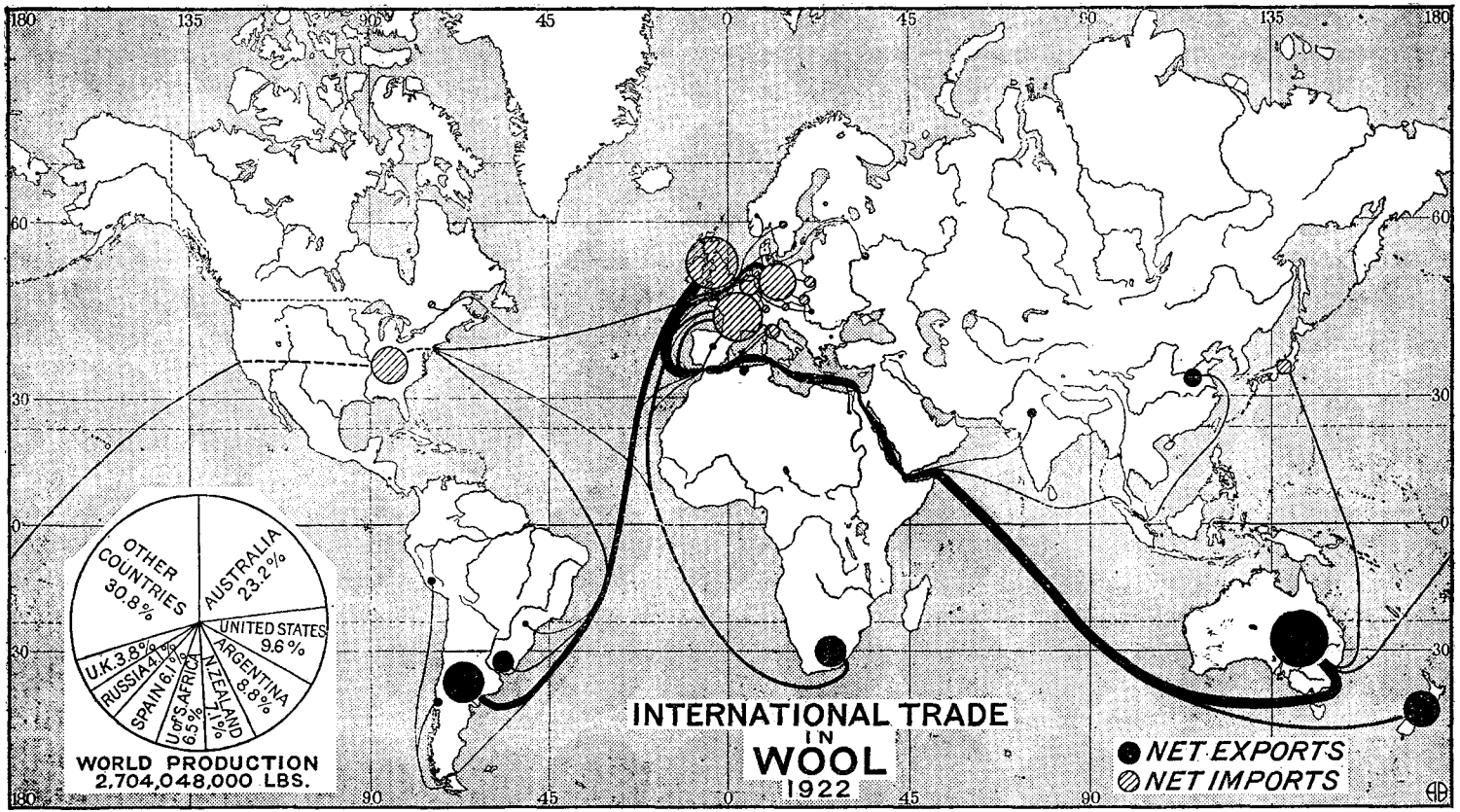

From Bowman's "The New World." ©1921, 1924, 1927, World Book Co., Yonkers, N. Y. Based on "International Trade in Wool," by L. A. Wheeler, Commerce Reports, Supplement, Jan., 1925.

FIG. 3 — THE WOOL TRADE OF THE WORLD

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of medical skill and there were no telephones, no bathtubs, no movies, and no many-other-things for him to relinquish in order to become a pioneer. If he subjected his family to the dangers of the wilderness he also offered them a healthy outdoor life. Today it requires courage to leave the telephone behind, for at the other end of it is a doctor who may save the life of a member of the family in a crisis. Social pleasures and social communication have increased enormously and these the pioneer must give up or enjoy in greatly attenuated forms. The man in between is content to move towards the city where these safeguards, these comforts, and these pleasures are known to be. The means of communication have multiplied to such an extent that he knows they exist, he hears about them constantly, he desires them, his family urge them upon him. He regards the comforts of living for himself also. To become a pioneer he has to turn his back upon many more things than his forefathers did.

One commonly held economic fallacy which ought to be destroyed in order to clear the way for sounder thinking as to the possibilities of development of the pioneer belts of the world relates to the magic of irrigation. The wealth of the irrigated lands of the world — India, Mesopotamia, Egypt, Spain, and even of our own country — has been borne in upon us with such insistence that we attribute to engineering skill the ability to transform the deserts of the world into productive gardens. If this were true we should pursue an easier course if we left the mid-zone of the pioneer lands where normal agriculture and grazing may be prosecuted and go at full stride into the desert. Unfortunately nature takes heavy toll of man's partial or conditional "conquests," so-called, whether it be by desert irrigation or tropical agriculture. Man can throw a railway across the mountain but every ton of freight that he carries across the mountain takes so much more coal because of the heavy grades; and the price of the coal is the toll that man pays to the mountain. It is the same with irrigation. We have had an admirable laboratory test in the United States. The Reclamation Service has been in existence for twenty-five years. It has done constructive work in providing water for valley floors and benchlands in selected places in the arid West. It has developed irrigation projects where water has been stored and where the settler has been invited to come in under terms regarded as generous. The government has thus tackled directly the problem of the population capacity of

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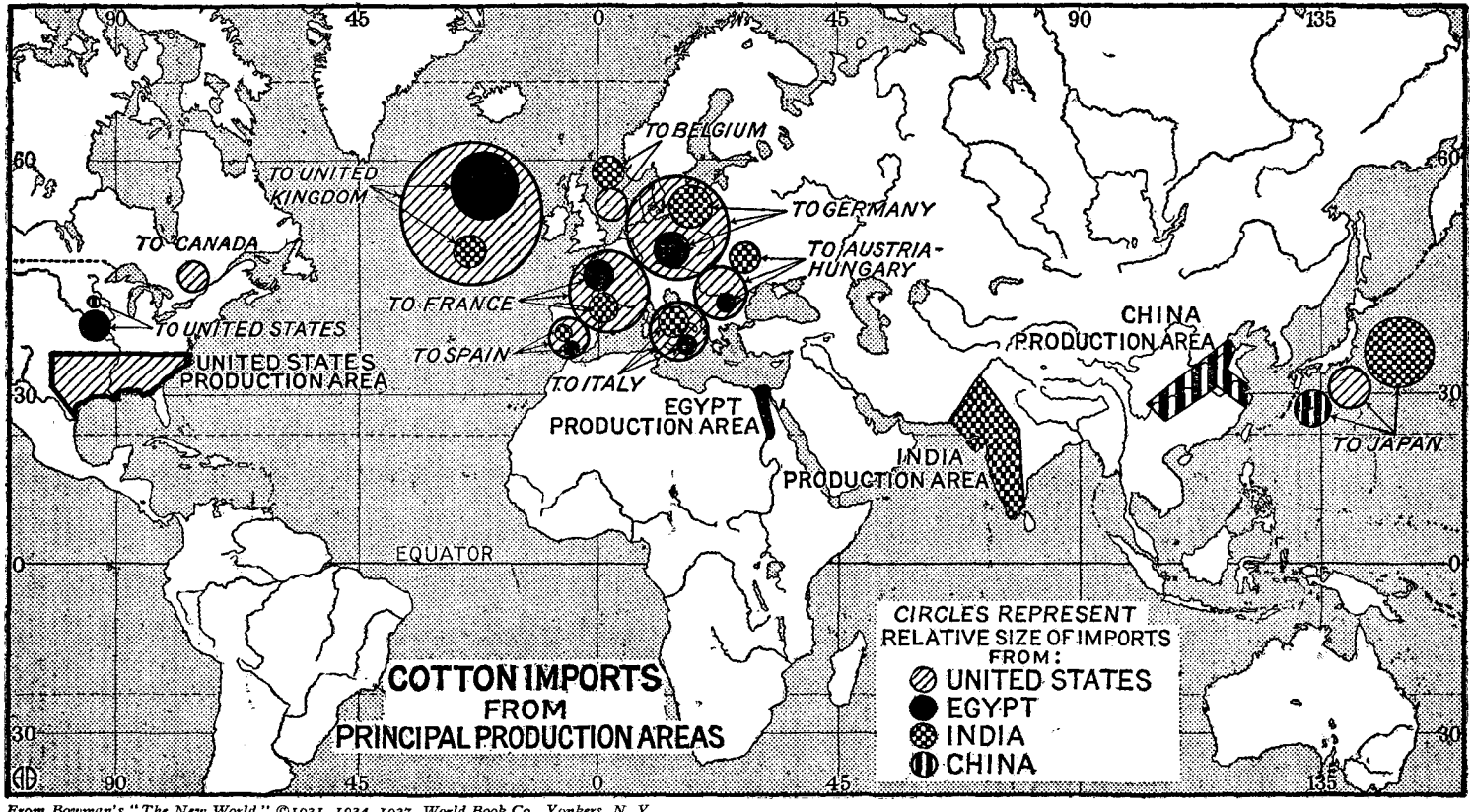

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Based on "International Trade in Cotton," by L. A. Wheeler, Dept. of Commerce, 1925.

FIG. 4 — THE COTTON TRADE OF THE WORLD

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the land. Yet what has been the result? In twenty-five years how many people have we actually taken care of? The total farming population upon the twenty-four national irrigation projects of the West after twenty-five years of government aid and generosity is but 137,000, a population equal to that of the city of Hartford, Conn., or Grand Rapids, Mich. Irrigation alone will not solve questions of general overpopulation or the much deplored cityward movement. It is easy to see that the most trifling improvement of agricultural practice in settled communities will accomplish much more in the production of agricultural products and the growth of population than all the millions that have been poured out upon the irrigation projects of the West in a quarter of a century.

Only in a narrow and special sense is the distribution of man governed by the same laws that affect plants and animals. The spiritual realm is also his home and he has only crossed the threshold of it. The effect of social and political concepts upon the pioneers of the world is still unstudied. When there were vast empty spaces the field of experiment was wide. Man could wander this way and that and take his choice of natural resources and opportunities. Now we have reached the point where the paths of men converge. They no longer live in measurably self-contained units. What we have said of meat and leather, of wool and cotton as horizontally extended world enterprises is also true of a multitude of other products; in fact, all those in the billion- and half-billion-dollar class, besides many others of lesser degree. Our economic realms overlap. The solution of the problems resulting from this overlapping call for no end of ingenuity.

See what is happening in New England, for example. In 1920, New England spent about $800,000,000 outside its own territory to buy food; it consumed over a billion dollars' worth in all. As compared with forty years ago, New England has seven million fewer acres of food-producing land and nearly three and a half million more inhabitants to feed. Such a process calls for ever fresh study and for continuing and even accelerated adaptations. Today New England would live under paralyzing handicaps but for an excellent educational system, cheap sea-food, a considerable amount of water-power, and certain specific advantages of position. It has survived and grown in power because its merchants have reached out into the distant corners of the world. As the region became saturated with population, man to an in-

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creasing degree had to make things happen, not to wait for things to happen.

While man's culture may rise superior to his environment it is also true that man by the force of new ideas and the pressure of living has had in a sense to rise superior to his culture. He finds, for example, that grass grows best in regions where it is most difficult to cure, so he decides that he will not accept the handicap of poor grass in a good climate or good grass in a poor climate but checkmate the climate by artificially curing grass where it does grow best, and thus provide his stock with green feed the year round. Where deep snow blockades him for months at a time in winter he still pursues his economic objectives by inventing machines that to some degree conquer snow. When navigation demands the refinement of an instrument for measuring longitude the creative faculty is stimulated by a government that offers a commanding prize. For over a century the "Royal Commissioners Constituting the Board of Longitude" remained in existence and in its search for a perfected chronometer disbursed public money to the extent of half a million dollars.

An Australian economist points to the rapid growth of cities in the Commonwealth despite the spending of vast sums on railways, roads, land resumption, assisted immigration, and advances to settlers. With all of these artificial stimuli there were but ninety thousand more people engaged in agriculture in the Commonwealth in 1921 than in 1891. "Decaying rural towns are dotted all over the map of eastern Australia." The British Empire Settlement Act after the war sought to push settlers into the pioneer lands. Western Australia became a focus of activity. The assisted settlers, working in groups, cleared the land, fenced it, put houses upon it, elected members of the group to have the first permission to buy the land which the group had cleared. Curiously enough, some of them did not want to purchase but wished to continue upon the government payroll. Others tried farming for a time and then failed. On the one side the politician points to success; on the other, the economist to failure. To the politician the whole interior of Australia is capable of development up to the level of the United States. Patriotism and rainfall become confused in politics! The hard fact remains that no amount of political ardor can increase the rainfall. The semi-arid and arid interior of Australia will not yield to aspiration merely. Its climate takes no account of votes. It has been found that huge

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sums of money will not work magic. Money cannot invoke clouds and rain!

To conquer the pioneer areas on the semi-arid fringe of the interior of Australia requires the expenditure of vast sums on railways, public works, and water supplies, but to be successful they must be works that are established after painful experiment. Each region must have its own laboratory for the study of the science of settlement. The commission recently appointed to tackle the great problem of interior development in Australia first of all looked about for a practical engineer. How settlement works in a specialized agricultural area is shown in the new wheat lands of West Australia where a periodically deficient rainfall and lack of railways has hitherto kept out settlers. Light railways have been built and the land along each line surveyed to a distance of twelve miles on either side. Ten miles has been found the economic limit of distance from a railway for wheat raising. Beyond that the costs of transportation to the railway make wheat farming impossible. Each mile of railway in West Australia adds from 100 to 200 persons to the total population. To add a million would require at least 5,000 miles of railway at a cost of $25,000 per mile, or $12,500,000.

The world becomes new the moment a new idea is applied to it and its workings. A thing that is new in thought is just as new as newly found territory. In the past a great deterrent to the expansion of the human race has been fear and ignorance. The frozen North has retreated northward faster than our school-books have been revised. The inertia of opinion has kept man from occupying much of the habitable lands. Only when they have been criss-crossed by the pioneer do we know the lines along which development will occur. Until that time fear in one form or another will play a large part in holding population back. "I am afraid that I can't do it," expresses a deep residual impulse in man. Slosson has given a forecast of the popular vote on a new idea: "When a new idea is born in the mind of one man, it starts out in the world with a majority of 1,600,000,000 against it." To an increasing degree must the dynamic knowledge of man emphasize the difference between the objective world over which man has spread in the past or over which he may spread, and the subjective world which lies within his own mind and often deceives him as to the nature of diversified and unfamiliar nature.

In the greatest pioneering experiment of history, the spread

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of English-speaking people from the American seaboard westward across the Central Plains, there was for generations a new world of experiment which men faced without fear. In that period men in the course of a few years lived through almost the whole experience of the race in rising century by century to a state of civilization. The key to success was experiment. This would hardly have been a conquerable earth if man had not engaged to conquer it by endless experiment, region by region, thus expanding, enriching, and adapting his life. The pioneer wanted to experiment for two reasons: he was not well versed in precedent and he was always looking for a new way. Nor was experimentation confined to the conquest of the land. A changing environment breeds liberalism if the resources are abundant enough to support close settlement and the development of independent social and political institutions.

These things are just as true of the great pioneering areas of the world today as they were in the days of the American pioneer. And in developing a science of settlement no one thing seems more important to the student of politics and society who wishes to understand the place of the pioneer belts in world politics and commerce than the study of the great regions of experiment. Scattered along the edge of settlement through thousands of miles of the world's pioneer communities, experimentation is being carried forward at different rates, has had different degrees of success. We ought to capture each experiment in process of development — to see how forest land is occupied here, grazing land there, and the relation of short-lived mining towns to the settlement of border communities whose occupation would otherwise be indefinitely delayed. Here too one can find those two most interesting facts of pioneer life, namely, the *social density* and the *economic density* required by the modern pioneer. To a less degree than ever the pioneer does not wish to be out of touch with neighbors. People must see their own kind. What is the present limit of tolerance in this respect? What are the critical densities from the social standpoint? By economic density we mean a distribution not widely scattered but on the contrary economically assembled. There are efficient and inefficient densities of population. How far can land be settled from a railway line? In West Australia ten miles seems to be an economic limit. The individual can accept as low a standard of living as is tolerable to him but the labor he employs will not.

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Wheat farming of the extensive type requires the employment of seasonal labor. Here questions of social and economic density overlap. Some races are tolerable to social isolation; others are not. We have hints and suggestions about this element of the life of the pioneer but laboratory cases remain to be studied. We need both diagnosis and cure.

From the political standpoint the question of subsidy to the pioneer settler is now gravely troubling the makers of government policies. When the state steps in to help settlement how far should it go? What is the measure of state aid? At what point does it become mere subsidy paid by the people of better-favored lands to those of ill-favored lands? Those in charge of government policies are working haphazardly if they work on the basis of theory alone; they work in a narrow way if they work on a basis of purely local studies; they work in a political not a scientific way if they seek large appropriations merely to throw them into new, untried and uncritical projects on the theory that any development is better than none.

A science of settlement is capable of making a political contribution of a high order. The problem of population has received recognition everywhere since the World War because a state of saturation has been reached in many instances. This does not mean that all of the resources of a given country have been employed to the limits of possibility but only that the present standard of living would be lowered by further increase of population under the prevailing economic scheme. Not pioneer belts only but the colonial holdings of great powers come into consideration as outlets for population. But colonies alone do not provide a remedy. They have been looked to in vain in the past fifty years as seats of European settlement. To debt-ridden countries it is important to keep up contacts with emigrating surplus populations. But the streams of migration are curiously unresponsive to the desires of government. About half as many people migrate annually from England to Australia under the Empire Settlement Act as before the World War, though England and the Australian states together provide what amounts to a subsidy and add for good measure extraordinarily favorable conditions of land occupation. This, despite a million unemployed at home and the attractions of independent living upon the land.

The new forces working upon the spirits of men and affecting their attitude toward hardships, manifest in the abnormal in-

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crease in city populations — these are hard to measure. We can tell that views and sentiments exist. We cannot express them quantitatively. By contrast the pioneer areas of the world contain thousands of laboratory examples of actual struggle and conquest on the part of men who live by different standards. It would greatly help the crowding populations of our time if the fringe of settlement in many countries and climates in the pioneer belts of the world were made an object of special study. Such a study would surely set wider bounds to the scientific application of ideas of settlement and it is conceivable that they might have some effect even upon the spirit of man, showing him the world in new forms, helping him to extend his conquest of the earth through the power of new ideas.

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IMPERIALISTIC RUSSIA IN CHINA

By Count Carlo Sforza

MOSCOW is at work in China as if it possessed two faces and two souls, and this is indeed the truth. One is the soul of the Third International, which now directs its intrigues from the Kremlin only because it found it impossible to direct them from Berlin as Moscow had wished and hoped immediately after the Great War. The other soul, the other tendency, still clings to the traditions, the mirages and ambitions of pre-war Russian diplomacy which, probably unconsciously, had as one of its cardinal rules to seek a success in the Pacific when failure threatened in the West.

Taking into account the fact that no historical analogy or parallel is ever quite exact, I nevertheless venture to say that this dual Russian personality as I have recently observed it at work in Manchuria and Mongolia puts me in mind of that precious gift bestowed upon the British people — the possession of writers and clergymen able in perfect good faith to advance the highest moral reasons for the most concrete diplomatic action, with inevitable material profit to England. This dual personality explains in part — quite aside from any underhanded reasons of money or fear — the support and solidarity which the Soviet régime sometimes finds among the younger members of families and classes which have suffered severely from the Bolshevik revolution.

Aside from the actual imperialistic penetration of Russia, which as we shall see is particularly to be observed in Manchuria and Mongolia, I think it would be possible to show that in one instance in China the two Russian souls, the two tendencies, merge to work for one object, one goal. This goal is the struggle against England.

Of course, it is possible that the Russia of the Third International actually did hope to establish communism in China; this is within the realm of possibililty, although to anyone who knows the Chinese world it would be almost sure proof of a surprising lack of political intelligence on the part of the successors of Messrs. Trotzki and Zinoviev. It is at any rate incontrovertible that the second Russian personality, which in spite of Bolshevism consciously or unconsciously still maintains the hatreds and traditions of the old Russia, hoped by the spread of these

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doctrines to deal a death blow to England, the twice hated, the twofold enemy; first, because she is the living symbol of European liberalism, the only hostile conception to Bolshevism existing on the old continent; second, because she is England, the mistress of India and the seas, the hidden but nevertheless real protectress of the small new Baltic states, Finland, Esthonia, Latvia.

What does seem amazing from a psychological point of view is that in spite of the great zeal of the agents of the Western Powers in China in their fight against Soviet action, no use has ever been made of such definite facts — facts particularly likely to appeal to the Chinese mind, which always reacts to anything visible and tangible. The anti-Bolshevist campaign of the Western Powers in China has been conducted throughout with the most complete misunderstanding of Chinese character.

I happened to be in Peking immediately after the police raid on the Russian Embassy made by Chang Tso Lin, the Manchurian Tuchun, with the secret encouragement of some foreign legations. I was able to examine many of the seized documents. Although I remain very doubtful as to the authenticity of the famous Red letter of British electoral memory, I am on the other hand absolutely convinced of the authenticity of the documents seized and published in Peking — as also that the Russian official denial was meant merely for home consumption.

These documents had all the earmarks of authenticity, both in letter and in spirit. They consist in a series of miserable espionage of diplomatic codes, of visitors to the foreign envoys, of corruption of petty officials, European and Chinese. They all bear the stifling mark of the old Tsarist police, only ten times more vulgar and silly. But all this — even the military instructions and the proof of the dispatch of munitions — did not and could not have the least influence on the Chinese. They looked and read; half of them smiled and the other half admired. They were but oriental tricks and lies against westerners, all these Russian activities. Why should the Chinese feel disgust or irritation?

When he ordered his police raid on the Legation Quarter, Chang Tso Lin did not for one moment expect to strike the Chinese imagination no matter how many Russian documents he might unearth. What the scheming Manchurian Tuchun did intend was to show Europe and the western governments how valuable an ally he might become in the struggle against Bol-

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shevism. For it is a well-known fact that his much advertised anti-Bolshevik hatred is assumed in order to obtain or extort financial subsidies from certain foreign governments. When Chang Tso Lin talks to his circle of intimates, he complains ironically that certain Legations pay him well in compliments but in nothing more substantial. Indeed, the famous Mukden war lord no more dislikes or suspects the Russians than he does the Japanese, of whom, by the way, he is far less of a tool than is generally believed abroad. The plain truth is that the Japanese resent bitterly his constant if hidden opposition to all their plans in Manchuria; they complain, for instance, that he prevents the sale of any land to Japanese firms. But more than anything else Japan desires a pacific Manchuria for commercial development; and in spite of petty anti-Japanese intrigues Chang stands for peace and order in Manchuria. The Japanese Government knows quite well that, without Chang, the Tsitsihar Tupan would soon start to fight with the Kirin generals and the Kirin generals with the Mukden governor.

All this we have stated, as it were, in parenthesis and merely to prove that Chang Tso Lin's aims in raiding the Russian Embassy were different from those usually ascribed to him. After this, we must admit that the means employed to affect the Chinese should have been different. The effort should have been made to touch their *amour-propre*, always so sensitive. Emphasis should have been laid on the fact that the Russian "sacrifices" so cleverly advertised every day by Soviet agents are far from what they are cracked up to be. Instead of having sacrificed pre-war rights, the Russians merely accepted their loss, incurred like the German losses as a result of defeat in the World War; they knew that they could never hope to recover their lost extra-territorial rights in China. But it is an astounding fact that, in spite of, one might almost say under cover of, the campaign against "unequal treaties" Russia should be the only nation in the last four or five years to increase considerably its privileges and monopolies as a result of its action in Mongolia and Manchuria. While the treaty rights of all the other Powers were disappearing, Russia won for itself new spheres of influence, not unlike what might have been won prior to the Hay formula.

Either the disguised annexation of Mongolia, or the sovereign rights exercised over the Chinese Eastern Railway, if cleverly exposed, should have been sufficient to open the eyes of the Chinese

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as to the extent of Russia's "sacrifices" and as to the truth of Soviet "disinterestedness" in China.

Let us consider these two definite points, Mongolia and Manchuria, where the work accomplished and still being done would not be disowned by the former Imperial Ministry of Foreign Affairs at St. Petersburg.

Nowhere may the continuity of the Tsarist and Red diplomacy be better seen than in their dealing with the autonomy of Outer Mongolia. The Russo-Chinese agreement of 1915, negotiated in Peking by Mr. Krupenski, had succeeded in establishing "the exclusive right of the autonomous Government of Outer Mongolia to attend to all the affairs of its internal administration," but, on the other hand, had again recognized China's suzerainty and limited the number of the Russian "consular guards" in Urga to one hundred and fifty.

When an occasion came, Mr. Chicherin followed faithfully the policy laid down by his predecessor Sasonov. He created a dummy "Independent Mongolian Government," whose head was simply a certain Bodo, formerly clerk in the Imperial Consulate General in Urga, and had him ask Moscow to send troops to Urga to "defend Mongolian autonomy against China," although China was certainly, at the time, quite unable to assert any of her rights. Mr. Chicherin replied that he was glad to help the new Mongolian "Government." Russian troops went at once into Outer Mongolia.

Probably they would have come on any pretence. But the philosopher notes that the example was set by a previous act of violence from the opposite side. It was Baron Ungern at the head of bands of White Russians who invaded Mongolia and first drove out the Chinese from Urga in order to create there a military base aganist Bolshevik Siberia.

Now, besides all the power they have got in Urga, the Russians have surrounded Outer Mongolia with a Chinese wall much more effective than the old one which, below the plains of Inner Mongolia, ends, after so many thousands of miles, in the Yellow Sea on the Shanhaikuan beach. This is why it is so difficult to know exactly what is going on in Outer Mongolia. The Chinese Government itself — or rather the vague shadow which remains of it at Wai Chiao Pu — likes to surround it with silence. This is a typical example of the Chinese soul. Peking prefers to ignore, when it can, the blows to its *amour-propre* which it is forced to endure.

Among the many and contradictory rumors which one hears I

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shall only state here those facts which I have been able to verify myself through repeated contacts with Mongolians whom I met during my recent stay in Mukden (May–June, 1927).

Soviet banks, established by the Russians who have become the real masters of the country, have forced the Mongolians to hand over their ingots of silver in exchange for Russian paper money.

A small Mongolian army has been created under the command of Russian officers.

Every possible obstacle is put in the way of commercial intercourse with China; all the country's resources are being artificially directed toward Siberia.

Bolshevized Buriats from Siberia are being transformed by sleight of hand into Mongolians; and it is they who play the part of representative Mongolians when there is the slightest demand for such services.

Rich young Mongolians are removed by force from their encampments and their flocks and are transplanted to Moscow, there to be fed on Soviet pap. Some of them return to Mongolia with women picked up on the streets of Moscow and with horrible diseases. From encampment to encampment this is spoken of as living proof that the Lamaic hell is situated at the end of the Transiberian Railroad, but it is said in whispers only; Soviet espionage is everywhere, and the ancient, simple Mongol loyalty has become a thing of the past.

The Panshan Lama, the Pontiff of Lamaic Buddhists, has only recently begun to express himself on Bolshevism, after having been reticent for a long period. While in Mukden (in the spring of 1927) he abandoned his former real or assumed indifference and declared that "Bolshevism is the enemy of Buddhism." He has recently moved from Mukden to Peking, where he lives in one of the pavilions of the Forbidden City. Hundreds of Mongols come to him daily to receive his instructions. However, these instructions, owing to racial and religious reasons, cannot envisage more than passive resistance, not active opposition.

Hardened diplomats may find explanations and excuses for these violations of Chinese sovereignty and of ancient Mongol autonomies, for the demoralization of a race and a country which only yesterday was a delightful example of the old patriarchal virtues. But only the weak governments of a divided country could pretend to believe them.

There are, however, certain features — accessory perhaps —

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which it does not seem the Chinese can pretend to ignore, alive as they always are to matters of form. There exists an official Russian publication which can be bought in Moscow for a few kopeks. It is the "Diplomatic Annual of the U. S. S. R." for 1926. If one opens it at the letter M, one finds in the lists of sovereign foreign states with full diplomatic representation right after Mexico this other new nation: *Mongolia*. There follows the name of the "Ambassador" of the U. S. S. R. (the Soviets have adopted a single title, Ambassador, in their internal administrative organization for the heads of all their diplomatic missions; it is only abroad that these heads assume one of the old titles, Minister or Ambassador). After the name of the Ambassador to Mongolia come the names of his numerous secretaries and attachés.

Masters as they are in the art of propaganda, the Bolshevik agents in China, assisted by the cowardice and vanity of the Peking Government, have been successful in enforcing a complete silence as to their actions in Mongolia. The verbal campaign of the Chinese against "unequal treaties," which dates in great part from the arrival in Peking of Mr. Karakan as Ambassador of the Soviets, was very useful in this respect, and the Russians at once saw the dual advantage to be gained by it.

It was also under shadow of this campaign that Russia was able quietly to increase her influence in northern Manchuria by means of that powerful arm, the Chinese Eastern Railway.

Anyone interested in the Far East probably knows the present condition of this railroad. This is it, in a few words: The Chinese Eastern Railway crosses the northern part of Manchuria, linking Siberia to Vladivostok, now Russian territory, although up until 1860 it had belonged to China. Harbin, the great new city of the Far East, which has begun to rival Shanghai as a pleasure center, is in the middle of this line; it is the seat of the administration of the Chinese Eastern Railway with its hundreds of Russian officials, great and small. It is from Harbin that a line branches off to Dairen and Port Arthur. Only one-third of this branch line, from Harbin to Changchun, at present belongs to the Chinese Eastern Railway; the other two-thirds passed to Japan after the Treaty of Portsmouth which in 1905 ended the Russo-Japanese War; it is run in a most efficient manner by the South Manchurian Railway.

It should be remembered that the old trans-Manchurian Railway never did belong to the Russian Government, but was the property of a company constituted according to Russian

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law but receiving its seal from the Chinese Government, which means that it was a Chinese concern. The President of the Company had to be appointed by the Chinese Government and ownership of the shares was restricted to Chinese and Russian subjects, governments and official bodies being excluded. As there was not sufficient capital to build the railway, the money was borrowed from the Russian Government and stock was given them as security. The Russian Government was not an owner but simply a creditor, a distinction which has been frequently overlooked.

In 1924 the Chinese Government recognized Soviet Russia. The two Governments agreed that they ought to take over the Chinese Eastern Railway, without compensation of any kind to the Company. Among the dispossessed creditors as it happens are several capitalists of Western Europe and the United States. So far as I know, no representations on this subject have ever been made to Moscow.

It remains to this day a complete mystery what reasons — if indeed there be any honorable ones — prompted the Chinese Government to accept this arrangement. For these are the real results, which make it neither more nor less than one of the "unequal treaties" against which the Chinese were already campaigning:

1. The Russian Government acquired the right to operate outright a railway on Chinese territory without any form of reciprocity for the Chinese Government, and in spite of the fact that no analogous case exists elsewhere in China.

2. The Russian Government consequently acquired a privilege not enjoyed by any other foreign Government in China, which is contrary to the principles laid down by the Washington Conference.

3. This privilege virtually makes a Russian zone of influence from Manchuly (Russo-Chinese frontier) to Changchun.

4. This zone of influence is detrimental to other foreign interests, as American oil companies are prepared to testify, and as preferential tariffs in favor of Russian oil companies prove.

5. According to this new accord, all officials and workmen on the Chinese Eastern Railway must be Russians or Chinese which is in violation of the principle of "equal opportunities."

6. All these officials and workmen are obliged to belong to Syndical Unions under strict control of the Soviet Executive Center of the Syndical Union in Moscow. This means that thousands of people on Chinese territory, and often Chinese sub-

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jects, have blindly to obey the orders of a foreign government; and ironically enough it is the very government which most publicly renounced its extra-territorial rights (as a matter of fact, let us state it again, it had lost them against its will during the war). This state of affairs enables one to state that as far as extra-territoriality is concerned, the Russians today are better off than the Germans because every Russian in China today is an official of some kind, except in Manchuria; and there they are under the "protection" of Russian institutions even more surely than in the old days of privileges and consular tribunals. It is true that White Russians exist by the thousands in Shanghai, where they are reduced to the lowest forms of labor; but they no longer look upon themselves as Russians, and it is only to be expected that Moscow should completely disinterest itself from their fate.

7. Last but not least, the control of the vast revenues of the Chinese Eastern Railway remain exclusively in Russian hands. Not a cent of the approximately twelve-million-dollar average yearly profit of the railway is administered or even seen by the Chinese, which, of course, gives the Russians strong administrative and political advantages.

Personally, I have never believed the tales of huge sums of money flowing from Moscow to Peking or Canton for Bolshevik propaganda. But I am quite ready to believe that, controlled as it is by the Russian Government, and by a board whose able director, Mr. Laschevitch, is a sincere Red, a certain proportion of the revenues of the Chinese Eastern Railway may have been diverted to Bolshevik propaganda in China.

The silence which the anti-Soviet forces of Europe in China has thrown about these events is easy to explain; it is due to the persistent mediocrity of our measures against Russian activity, a mediocrity due to psychological reasons upon which it is better not to insist at this time. But for the rare Chinese who know and keep silence — as do in China all those who wish to have nothing to do with Tuchun régime of violence — the reasons are quite different. They say among themselves (and this is not an hypothesis but something which I myself have heard said) that the Western Powers attack Russia for everything except for those acts and intrigues which they themselves would like to be able to imitate. For nowadays the best and wisest men in China share with the people one old feeling which is becoming universal — hatred of all foreigners.

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INTERNATIONAL PROBLEMS AT SHANGHAI

By Manley O. Hudson

IN a declaration of American policy in China on January 26, 1927, the Secretary of State mentioned that the United States "holds no concessions in China." The statement was widely challenged on the ground that the United States participates in maintaining the International Settlement at Shanghai, and the Secretary's reply distinguishing between a settlement and a concession brought a rejoinder from the English *Contemporary Review* that the obligation of defense is the same in either case. The demands of the Chinese for the restoration of foreign concessions and settlements (for example, at the Paris Peace Conference) usually include the International Settlement in such a way as to indicate that in their opinion there is little difference between them. Is the United States in the same position as other Powers which do have concessions, and does this position coincide with our oft-expressed policy of favoring China's territorial integrity?

Another reason for inquiry into the nature of the International Settlement may be the common assumption that experiments in international administration have always failed and that international government of a territory does not work. For more than sixty years the International Settlement and a French Concession have existed alongside at Shanghai, and they may be regarded as furnishing some evidence as to the results of the two types of administration. The two have an approximately contemporaneous history. The Concession is a European controlled area in an Eastern country, the Settlement is an internationally (and for most of its history a European internationally) controlled area in an Eastern country. Their inhabitants are not essentially different in race. Under some conditions, Shanghai would be an excellent place to test the relative merits of national and international government. Whether these conditions prevail may appear more clearly after a review of the records.

Shanghai has a long history. It is said to have existed more than two thousand years ago, and throughout modern times it has been a port of importance. It was one of the five treaty ports opened to foreign commerce by the British treaty of Nanking in 1842, and in recent years it has become a great center of foreign

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interests, perhaps the greatest in the Orient. On a basis of tonnage it ranks as one of the seven largest ports in the world; in 1925, it cleared more than 32,000,000 tons of shipping. It has become, also, a great center of population; if the various districts of Greater Shanghai be taken together — the International Settlement, the French Concession, the old city, Nantao, Chapei, part of Paoshan, Pootung and Woosung — it has a population of two million, of which the foreigners who are largely responsible for its modern development do not number more than 50,000.

In latter years the foreign population has been greatly increased by the immigration of Japanese and Russians. In the 1925 census, which does not include the French Concession, the Japanese population was given as 13,804; while a quarter of a century ago, in 1900, it was only 736. The number of Japanese was more than doubled between 1900 and 1905, and again between 1910 and 1915. The same census gave the number of Russians as 2,766, though it is now estimated that 10,000 Russians have come to Shanghai since the Russian revolution. In 1915, the number of Russians was less than 400. The 1925 census, combined with the census taken in the same year in the French Concession, listed 8,191 British nationals, 3,093 Americans, 1,506 Portuguese, 1,174 French, 1,154 Indians, 1,040 Germans, 327 Danes, 280 Italians, and lesser numbers of more than thirty other nationalities. Shanghai is therefore a very cosmopolitan community, though more than ninety-five percent of its population is Chinese.

THE BASIS OF FOREIGN CONTROL

The way for other foreigners was paved by the British in 1843. The first Sino-British treaty in 1842 had given to the British a right to reside in Shanghai without molestation or restraint "for the purpose of carrying on their mercantile pursuits," and in 1843 a supplementary treaty provided more explicitly that to this end ground and houses should be set apart by the local officials in communication with the British consul. The boundaries of an English settlement between the Yang-King-Pang and Soochow creeks and fronting on the Whangpoo River, were agreed upon in 1845, and in the same year Land Regulations were promulgated for its ordering. Meanwhile, in 1844, both the United States and France had concluded treaties with China securing to their nationals very similar privileges of residence, and in 1849

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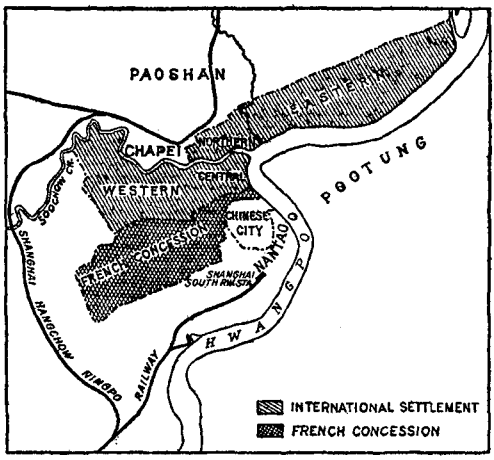
the French followed the British example and delimited an area on the other side of the Yang-King-Pang which soon came to be known as the French Concession. The Americans established a center in Hongkew, across the Soochow creek from the English Settlement. An American missionary, Bishop Boone, seems to have attempted to make this an American Settlement in 1848, but though it came to be locally known both as the Hongkew Settlement and the American Settlement, no agreement for its delimitation as an American residential area was made until fifteen years later.

The original intention may have been that these areas, at least the British and the French, should be kept exclusively for the people of a single nationality. For a time Chinese were excluded from residence in them. In 1846, the American consul created an incident when he hoisted an American flag inside the English Settlement. But the exclusive policy was soon abandoned. When disturbances arose in other parts of Chinese territory many Chinese flocked into these areas, particularly during the Triad rebellion in 1853 and the Taiping rebellion a few years later. An American consul urged that they be permitted to stay. The abandonment of attempts at exclusion called for a closer coöperation within the three foreign areas. In 1854, new Land Regulations were promulgated by the British, French and American consuls, all three of whom attended a meeting of the land renters held in that year in the English Settlement. Though the question of defense was not agreed upon, the local French consul seems to have consented to amalgamation, and for possibly a few years the English and French areas were under common control; but the consul's action was not ratified by the French Government and the consent was later withdrawn. There must have been some separate control in the Hongkew settlement, for its boundaries



SHANGHAI

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were delimited with the participation of the American consul on June 25, 1863; and at a meeting of the land-renters held at the United States consulate on September 28, 1863, a committee on roads which had been appointed on May 29 recommended that the management of the "Hongque settlement" be transferred to "the existing municipal council on the English Concession." The transfer was actually effected in the following month.

There seems to be little justification for saying that a separate American Settlement existed at Shanghai, except during the four months from June to October, 1863; and no record of the American Government's sanction of the action taken by the consul on June 25, 1863, is known to the writer. The combined English and Hongkew settlements were locally known for a long time as the English and American settlements, or as the English-American Settlement. An election notice issued on November 6, 1866, refers to the "English and American Settlements." In 1893, an American consul assisted in erecting boundary stones which referred to the "American Settlement." And as late as July 15, 1899, a reference was made to the "American and English Settlements," as well as to "the municipality of the Anglo-American Settlements," when the American consul assented to the extension of the Settlement boundaries. But in more recent years the name in common use is the International Settlement, though the official title still remains the "Foreign Settlement at Shanghai North of the Yang-King-Pang."

GOVERNMENT OF THE INTERNATIONAL SETTLEMENT

The International Settlement is governed under a municipal charter called the "Land Regulations," adopted in 1869, with significant amendments and additions made in 1898. They were based upon a revision of the Land Regulations of 1854, to which a Chinese local official — the Taotai — had agreed under the pressure of the disturbed conditions then existing in China. It was provided in the Land Regulations of 1854 that any proposed additions or modifications should be "consulted upon and settled by the foreign consuls and intendant of circuits in communication together, who shall equitably decide thereon, and submit the same for confirmation to the representatives of their respective countries in China and to the Chinese Imperial Commissioner managing the affairs at the five ports." In spite of this provision, however, the Land Regulations of 1869 were promulgated without

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the previous approval of the Chinese authorities, having been provisionally agreed to by the American, British, French, German and Russian representatives at Peking. When they were amended in 1898 the Viceroy declared through the Taotai that the Land Regulations were not of interest to him, but "should be satisfactorily arranged between the Municipal Council and the Consular Body." In May, 1899, when the boundaries of the Settlement were extended, the Taotai issued a proclamation that "the entire area of the International Settlement shall be within municipal control, excepting temples founded by Imperial sanction and sites employed officially by the Chinese Government; with these exceptions, the existing regulations shall operate and must be obeyed." The present Land Regulations must therefore be taken to have been agreed to by a local and somewhat subordinate Chinese official; it is only by acquiescence that the more responsible Chinese authorities are committed by them.

Under these Land Regulations, the chief agency of government in the International Settlement is the body of foreign rate-payers. They meet annually on the call of the consuls of the Powers which enjoy exterritoriality. The meetings are often poorly attended, and in recent years a quorum frequently has been lacking. At the latest meeting, on April 13, 1927, 547 rate-payers were present out of a possible 2,368, with a total of 790 votes out of a possible 2,688 (non-resident rate-payers may vote by proxy). The records of the annual meetings show little attention given to details of municipal affairs, which must in the nature of things be left to a smaller executive agency.

In 1869, an earlier committee on roads and jetties was succeeded by an "executive committee or council," elected by the foreign rate-payers with certain property qualifications. This election is sometimes, as in 1927, arranged in a perfunctory manner, for if the number of nominees does not exceed the number of members they are declared to be elected without any actual voting. The Municipal Council, as it is now called, exercises large powers in the management of the Settlement's municipal affairs. It is limited only by the Land Regulations, and the limit can be enforced only by a "Court of Foreign Consuls," which was created as an "experiment" in 1869. This so-called Court is in reality a committee of the Shanghai Consular Body before which the Council may be sued. It might have become an administrative tribunal with large powers of review, and even of general

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supervision, but it has never been much employed and in recent years it has heard only a few cases of relative unimportance. The Council is, therefore, to a large extent, independent. It is responsible only to the rate-payers to whom it reports each year, and the latter are responsible in turn neither to the Consular Body nor to their governments. The Settlement is not the "free city" which was once proposed, nor is the term "Republic of Shanghai," which is sometimes used, altogether apt; but it enjoys a large measure of independence from outside control.

It is quite generally assumed that the Consular Body exercises some kind of superintendence over the Municipal Council. But the consuls' powers under the Land Regulations are very limited. They create and compose the "Court of Foreign Consuls." They issue the call for meetings of the rate-payers, and may call special meetings. They fix the dates for elections of members of the Council. They perform certain functions with respect to the registration of land transfers. They must assent to certain changes in the By-Laws. They conduct the relations of the Council with Chinese authorities outside the Settlement. But they have no general powers over the action of the Council. When they do act, the Consuls are responsible to their diplomatic superiors at Peking and to their governments. No reports of their meetings for dealing with local affairs are regularly published, and information concerning their action is difficult to obtain.

IS THE SETTLEMENT INTERNATIONAL?

The Municipal Council is often said to be an international body, and the Settlement is supposed to have an international government. The rate-payers for 1925 were recently stated in the House of Commons in London as belonging to twenty-two nationalities. Of a total of 2,742 rate-payers, 1,157 were listed as British, 552 as Japanese, and 328 as American. At present, five of the nine members of the Municipal Council are British, two are American and two are Japanese — a second Japanese having recently replaced a sixth British member. Formerly, before their exterritoriality was abolished, there were German and Russian members of the Council. A member has no strictly representative capacity with reference either to his government or to his co-nationals among the rate-payers. The municipal staff is very largely British, and the local attitude that the British control the Settlement's affairs is amply borne out by the facts. No person

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of other nationality holds any of the higher posts in the administration. The commissioner-general is British, as are also the highest officials in the volunteer corps, the fire brigade, the police force, the health department, the public works department, the electricity department, the sewage disposal department, the finance department and the Secretariat. The director of the municipal band, however, is Italian. A recent Shanghai directory listed 1,076 municipal employees, of whom 965 were British; it did not include 792 Sikhs from India serving in the police force. It showed but four Americans holding responsible positions. In recent months, much has been made of the fact that an American is now chairman of the Council, as indicating the international character of the Settlement; but he holds that position largely as a result of British support which he has in no way alienated.

On the other hand, when the Shanghai Consular Body acts with reference to local affairs it is clearly international. The local consular representatives of Austria, Germany, Finland and the Union of Socialist Soviet Republics do not participate, though the German community is relatively large. But most of the "treaty Powers" are represented, and at the present time the Consular Body is composed of the consuls-general of the United States of America, Belgium (in spite of the question whether her treaty is in force), Brazil, Denmark, France, Great Britain, Italy, Japan, The Netherlands, Norway, Portugal, Sweden and Switzerland, and the consuls of Mexico and Spain. The participation of the French Consul-General is hardly more than formal because of the existence of the French Concession.

In this list one country is conspicuous by her absence — China. In 1925 the total population of the Settlement was 840,226, and of this number 810,278, more than ninety-six percent, were Chinese. But the Chinese have no part in the government of the Settlement, except since the beginning of 1927 in their partial control of the new Provisional Court. Chinese rate-payers are unrepresented at the meetings of the rate-payers of the Settlement. They have recently formed a Chinese rate-payers association, but it is without power. Chinese are not eligible under the Land Regulations to membership in the Council, and it has never had a Chinese member. In 1863, the Powers' representatives at Peking were agreed that there should be "a Chinese element in the municipal system," but they changed their minds before it was arranged. Agitation for Chinese "representation" on the

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Council has not abated since 1905. Proposals to this end were defeated by the foreign rate-payers overwhelmingly in 1920 and 1923. A Chinese advisory committee, created in 1921, never exercised much influence, and after the incident of May 30, 1925, its members all resigned. After the situation reached a crisis, in 1926, the rate-payers voted in favor of adding three Chinese members to the Council, but that number no longer satisfies the local Chinese, who now demand at least equal representation with the foreigners. No arrangement has yet been consummated, and the *North China Daily Herald* still urges "Chinese ignorance of municipal affairs" as a reason for caution and moving slowly.

If the Settlement is international, it is so in spite of the British dominance of its administration and the exclusion of the Chinese from any participation.

SOME RESULTS OF THE ADMINISTRATION

The International Settlement is in many respects well governed. It has clean streets, it has extensive municipal services, and its affairs are generally efficiently managed. Its annual report might well be taken as a model elsewhere. Perhaps there is some extravagance; the foreign staff receive high salaries, and very liberal provision is made for such privileges as "long leave." Some incongruous things exist; for example, the British chief clerk of the Provisional Court is better paid than the Chinese judges because he is a municipal officer; a British ex-commissioner of police whose resignation was forced by events following the incident of May 30, 1925, receives a pension of £1,500 a year. But these are details. The Settlement doubtless has the best municipal government to be found on Chinese territory.

But it is governed in the interests of a small minority of its inhabitants. In many directions its municipal revenues are expended largely for the benefit of the foreigners, though the Chinese pay a large percent of the taxes. In 1926, the general municipal rate, which is a large source of revenue, was payable on 4,627 foreign houses and on 71,126 Chinese houses; the income from the former was 1,833,968 taels and from the latter 2,188,356 taels. The land tax is less of a barometer because much of the land held in foreigners' names is beneficially owned by Chinese. When license fees of all sorts are taken into account, it seems conservative to estimate that the Chinese pay not less than sixty percent of the taxes, and the actual figure may be considerably larger. Yet a

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considerable portion of this revenue is expended in such a way that the ratio of benefit to Chinese and foreigners is reversed. Each year about 500,000 taels are expended on education, of which about seventy percent goes for schools for foreign children. The absence of any "absolute duty to undertake the education of Chinese children" was stressed by two special commissioners reporting in 1911 and 1924. Comparative expenditures on hospitals are in much the same proportion. A municipal library maintained at public expense keeps only foreign books, and but 20 out of about 600 subscribers are Chinese. The Chinese may pay sixty percent of the taxes, but they do not get forty percent of the benefit of special expenditures where distinctions are made between the two groups of the Settlement's population.

The question of admitting Chinese to the public parks, maintained out of public funds, has recently become acute. The Land Regulations empower the Council to create and maintain roads and public gardens, "provided always that such roads and gardens shall be dedicated to the public use, and for the health, amusement and recreation of all persons residing within the Settlement." This is taken to mean all foreign persons, and the parks are closed to Chinese — old residents say that the prohibition formerly read "Chinese and dogs." If the construction can be defended legally, it is bitterly resented by many Chinese and serves as one of the pin-pricks which keep up anti-foreign feeling. "Serious consideration" has been given to the question by the Council for several years past; a committee reported in favor of admitting the Chinese, but the rate-payers who assembled on April 13, 1927, feared precipitate action and stipulated that they must have another chance to consider the matter when conditions are less disturbed. The Chinese continue, therefore, to be deprived of hearing the open-air concerts of the municipal band which is maintained out of public revenue. Elsewhere, it is chiefly the poorer people who depend upon public parks, but in Shanghai most of the proposals for admitting the Chinese would exclude the coolies in the Settlement.

Such questions cannot fail to have repercussions on the relations of foreign Powers with China. Not infrequently the actions of the Council have seriously affected friendly relations with China and even with other countries. Roads leading outside the International Settlement are always a bone of contention. The Council has now taken under its control 43 miles of roads outside

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the Settlement boundaries, and their policing offers many opportunities for friction. It is for the protection of these roads, and foreigners living on them outside the Settlement, that foreign troops are now stationed in the surrounding territory. The road question is bound up with the effort to extend the Settlement boundaries. The boundaries without doubt are cramping and in normal circumstances ought to be extended. Control of roads is made a substitute for extension.

Quite recently an action taken by the Council might have had serious consequences elsewhere. On its own authority, and without having obtained any permission from the Consular Body, it placed an armed guard around the Consulate of the Union of Socialist Soviet Republics within the Settlement and conducted a search of all persons entering or leaving. The action was avowed to be for the purpose of protecting the Consulate against violence, though the measures taken did not clearly serve such a purpose. Doubtless, too, it was mere chance that the guard was at first largely composed of paid White Russians and later, until protest was made, of American members of the Volunteer Corps.

It seems possible to say, in summary, that the Settlement is well organized, and modernly and efficiently administered. But it is not administered in behalf of the ninety-five percent majority of the population which pays not less than sixty percent of the taxes, so much as in behalf of the four percent minority which pays not more than forty percent of the taxes.

THE FRENCH CONCESSION

Across the Avenue Edouard VII, once the Yang-King-Pang, the situation is somewhat different. Since the failure of the 1854 attempt at amalgamation the French Concession has had a separate government. The census taken in 1925 gave the Concession a population of 297,072, of whom 289,262 were Chinese and 7,810 (or less than three percent) were foreigners of thirty-three different nationalities. Only 892 were of French nationality; 2,312 were British, 1,403 were Russians and 1,151 were Americans. The population has more than trebled since 1900, and it has almost doubled since 1915.

The *Règlement d'Organisation Municipale* adopted in 1868 has now been replaced by a new *Règlement* promulgated by the French Consul-General on January 15, 1927. This provides for a municipal council of fourteen members, of whom the foreign rate-

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payers are to elect four French members and four members of other nationality and divided among three different nationalities, while the Consul-General is to appoint three French members and three Chinese members. This council has more limited powers than those of the Municipal Council in the International Settlement. Subject to the approval of the French representative at Peking, the Consul-General may refuse to promulgate its decisions affecting the public order and administration of the Concession, and no decision is valid until promulgated by him. He may even suspend the Council for three months, or in time of foreign or civil war or when the security of the Concession is in jeopardy for the period of the duration of such exigency. Early in January, 1927, the Consul-General exercised such power, conferred by the former *Règlement*, and "on account of the general situation" deferred the election of successors to the council members whose terms expired on January 23, 1927. He thereupon created a provisional commission of administration of sixteen members, eight of whom are French, five Chinese, one American, one British and one Swiss.

The French administration rests very largely with the Consul-General and his associates. In some respects it may have been less efficient than that in the International Settlement. Its annual *compte-rendu* is less complete than the annual report of the Municipal Council, though fuller reports of minutes seem to be published. The Chinese residents seem to be taxed fully as much if not more than in the Settlement. Perhaps some of the services are at times less well organized. But there has been a marked difference in the attitude of the local Chinese population toward the two administrations. A much more accommodating policy seems to have been followed in the French Concession, and the same problems have been met in a different spirit. For instance, for several years two Chinese have served on the council, though in a somewhat consultative capacity, and under some restrictions Chinese are admitted to the public park. It has therefore proved less difficult for the boundaries of the Concession to be extended, and they actually were extended in 1914 when a similar effort in the International Settlement failed. Even while problems were outstanding between China and France, such as the gold franc dispute, there seems to have been less Chinese hostility to the Concession than to the Settlement. But perhaps there would have been more hostility to the former if the latter had not existed.

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EXPLANATION OF THE DIFFERENCE

Perhaps the different situations in the International Settlement and the French Concession are due in some measure to differences inherent in international and national administration. It has proved difficult to alter the *status quo* in the International Settlement. The Land Regulations are long out of date. The form of the government is archaic. The power lodged in an irresponsible group of rate-payers, frequently dominated by a faction, continues because of the difficulty of getting agreement among the representatives of the fifteen, formerly eighteen, Powers whose assent is made necessary by the existence of the régime of exterritoriality. Such agreement must exist not only in the Consular Body at Shanghai but also in the Diplomatic Corps at Peking. In the eyes of some of the Foreign Offices to which these bodies are responsible the problems of the Settlement cannot have much importance. When they do receive attention, a government with but slight interest is tempted to try to hold all the power it has. One such government was recently quite reluctant to agree to the rendition of the Mixed Court. That tendency is only increased by the existence of exterritoriality.

Quite as significant, however, is the zeal with which the local community of foreigners attempts to retain its semi-independent position. Aside from the missionaries, for whom Shanghai serves as a sort of base, this community is largely composed of people engaged in trade and in the business incidental to the affairs of a large trading center. They are easily led to assume intransigent positions on local problems where Chinese interests are involved, and are jealous guardians of the privileges connected with exterritoriality. Their intransigence extends also to efforts of their governments to promote peace with China. This disposition may have been accentuated recently by the fact that the British have somewhat illogically borne the brunt of Chinese opposition. The leading British newspaper in Shanghai, the *North China Daily News*, has conducted a persistent campaign against the British Government's policy in China. It denounced the British declaration of policy of last December as a "showing of the white feather," and the British memorandum in January as an "offer of surrender" and a "graceful gesture that led to the great betrayal." The American Chamber of Commerce memorialized America to join in "unified action by the Powers to suppress

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disorder" in all of China, for "a protective policy applying to Shanghai alone will not enable China to put its house in order;" and when this effort had apparently failed, it attempted to oust from membership the only independent journal in Shanghai, the *China Weekly Review*.

Such opinion would be negligible if its influence were confined to the foreign community of Shanghai. But unfortunately it helps to embitter the Chinese. Leaders of moderate opinion among the Chinese have to cope with continuous goading by the foreign press. Reporting on the incident of May 30, 1925, Judge E. Finley Johnson, now acting Chief Justice of the Supreme Court of the Philippines, said that "the foreigners in China have failed to take into account the principles of liberty and independence which they themselves have spread abroad throughout China."

THE FUTURE OF THE SETTLEMENT

Presented with a *tabula rasa*, one would plan a very different local government at Shanghai. The interests of the Chinese and of the foreigners are not in conflict. The two groups have united in building much of the city; their commercial relations are intimate; their desire for a peace and order which will stimulate and protect their trade is common. Whatever social distinctions are made, the two groups cannot be segregated in business. Both depend upon Chinese labor, and the living of the foreigners would be on a very different scale if there were no Chinese servants at their command. In spite of the existing form of organization, the two groups form one community.

Not only would the foreign areas be amalgamated, in a *de novo* arrangement, but the special organization would not be restricted to the present foreign areas. It would include also Nantao, the city, Chapei, Pootung, and for the consolidation of the port administration it might take in Woosung. The needs of the whole community might better be met if some of the surrounding areas, particularly the roads, were also included — if Greater Shanghai were united.

The government of such a district would be conducted in the interests of all its residents, and of course the Chinese would have a large share in its control. It might be in some respects subject to the provincial Chinese authorities. Certainly the present exemption from Chinese taxes — not merely of foreigners but also of Chinese — would never be instituted. Instead of a Provisional

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Court, justice would be administered in a Chinese court which, though special, might be a part of the national judicial system; and from the point of view of the Chinese themselves, foreign judges, appointed and paid by the Chinese Government, might be much more satisfactory than consular officers or deputies. A council and an administration in which Chinese and foreigners coöperated would be devised, and it ought to prove possible to adjust the percentage in such a way that Chinese susceptibilities would not be outraged and foreign interests would not be neglected. If the district were removed by neutralization from Chinese military operations, it would likewise be agreed that foreign Powers would not use it as a base for operations in China, as they are now doing. All of these arrangements might be effected without much trouble about the dogma of sovereignty.

But the history of the last three quarters of a century has not left a *tabula rasa*, and a program such as that suggested here is not likely to be attempted. Agreement on a new set of Land Regulations would be reached only with difficulty, even though it clearly is desirable that so archaic a structure should be remodelled. But the demand for large Chinese representation in the Municipal Council will probably be maintained, and it should be met by the Powers. The three representatives which have been "granted" are not enough. In the long run, it might prove wise to give the Chinese a majority, and begin the gradual Chinafication of the municipal services. The extension of the boundaries would then be easily effected. If the compromise of equal representation of Chinese and foreigners is agreed to, the method of choosing a chairman will still give difficulty. In any scheme, the Powers ought to divest themselves of all responsibility for what their nationals on the Council may do. This can be better accomplished if a modern Chinese Court, composed partly of foreign judges, be created to replace the Provisional Court, with a consequent reduction in consular jurisdiction.

But radical changes will probably not be graciously assented to by the Powers. It is discouraging to think that if China were a strong military state events might take a different course.

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OIL

By Albert D. Brokaw

THE total amount of petroleum produced in the world down to the end of 1926 amounted to approximately fourteen and one-half billion barrels, about nine and one-fourth billion barrels of which had been produced by the United States. Since 1860 the United States has contributed more than any other country to the world's annual total, except for the period from 1898 to 1901 when Russia led by a narrow margin. In 1902 leadership was regained by the United States and the development of the California and Mid-continent fields increased its lead to such an extent that since 1908 its annual production has exceeded that of all the rest of the world put together.

Many factors have united to bring about this condition. The combination of wonderfully rich deposits of high grade petroleum in a well populated, progressive country of fairly high average wealth is found nowhere else in the world. All of the other major centers of large scale oil production, both present and prospective, are in more backward, less industrialized countries where important production must depend on exports — a condition much less favorable to the development of an entirely new industry with diversified technical problems and the all important essential of building up a market for a long list of new commodities.

Although the oil industry in America dates back some seventy years its rapid expansion is the product of the present century. With its inseparable companion, the automotive industry, it records a story as dramatic as were the railway developments in the last quarter of the century just past. The world's production of crude petroleum in 1900 was less than 150,000,000 barrels; preliminary figures for 1926 are 1,100,000,000 barrels. In 1900 the United States produced forty-three percent of the total, in 1926 it produced seventy percent. The American production of 1902 was doubled in 1908, redoubled in 1918, and doubled once more in 1923, and this growth has been largely due to the growth of our domestic consumption, which in 1926 amounted to more than sixty percent of the world's production for that year.

So far as production is concerned, the situation in the United States, and in the world at large for that matter, is not dominated at any one time by the quantity of oil reserves underground, but

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by the *current rate of production*. At the present moment the situation in the United States is dominated by the production from a single field, whose reserves are small compared to the total for the country, but whose current rate of production is all out of proportion to its reserves. Flurries of this sort arise very largely through lack of control of the rate of production. Ownership in oil deposits is commonly divided, and each operator must get his oil out as rapidly as possible in order to avoid drainage by neighboring wells. Further, practically all leases require the drilling of wells to offset those on adjoining land in order that the lessor may receive his "royalty," and failure to comply with this provision voids the lease. As a result of this, competitive development and overproduction are almost sure to follow the discovery of a new highly prolific pool. Even drastic price reduction has little effect in most cases, and operations are continued in the hope of better prices and to prevent the forfeiture of leaseholds in which heavy investment may already have been made. Thus forced production may continue even though current operations show no margin of profit, and price reduction is more likely to result in curtailment of operations in other districts than in the immediate region of over-production.

This situation has arisen many times in recent years, as at Cushing, Oklahoma, in 1915–1916, in Oklahoma, Texas and California in 1923, and the present period of overproduction in the Seminole field of Oklahoma. Severe flurries of this sort rarely last more than a year, on account of the characteristically rapid decline in rate of production of new fields, and the situation is more or less equalized by absorbing large quantities of oil into storage to be drawn upon later (at substantially better prices) when the flurry shall have passed.

In the past four years production has ranged within about six percent of the level of 732,000,000 barrels reached in 1923, and during the period from 1924 to 1926 the industry was on fairly even keel. In any year the available supply consists of oil in storage, oil produced during the year, and oil imported. This supply is in part absorbed by domestic consumption, in part exported, and the remainder is carried forward in storage. The figure on the next page shows graphically the source and disposition of the available supply for the United States during the last five years.

The 1926 situation is shown in greater detail in the chart on page 94, in which crude oil and the various products of refining

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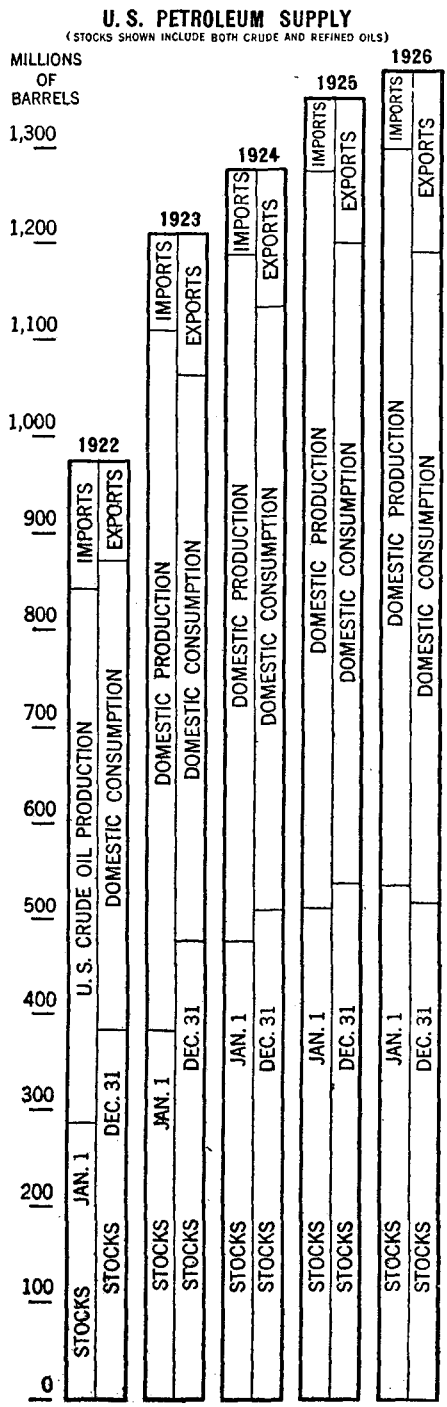

are shown separately. Two points worthy of particular notice are the comparatively small part played by imports and exports, and the relative small proportion of the available supply of each commodity that is represented by stocks.

WORLD PRODUCTION

The production of the rest of the world has not increased so rapidly as that of the United States but the increase has been conspicuous. In 1918 it amounted to something like 160,000,000 barrels, while in the past three years it has held fairly steadily at about 300,000,000 barrels. In these three years Mexico, Russia, Persia and the Dutch East Indies have contributed the major part of the production, but in 1926 the results of development in Venezuela and Colombia began to be important. For a long period Russia was the leading contributor and was not displaced until 1918 when Mexico came to the front with a marked increase, simultaneously with the almost complete breakdown of producing operations in Russia. Marked changes in the rate of production have been common in the past and will occur frequently in the future. The trend of these changes, both in the United States and in the other countries, is a matter of the utmost importance to the indus-

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try and to the world, because these rates will at any one time determine roughly the relative importance of each country to the industry and may shift its control from one nation to another, entailing a variety of economic, political and social readjustments. The following table shows the world production for the years 1924, 1925 and 1926:

WORLD OIL PRODUCTION
(in barrels)

	1924	1925	1926
United States	713,940,000	763,743,000	775,000,000
Mexico	139,497,000	115,515,000	90,551,000
Russia	45,312,000	52,448,000	62,000,000
Venezuela	9,006,525	20,912,600	37,226,019
Persia	32,373,000	35,038,000	35,400,000
Rumania	13,303,000	16,646,000	23,500,000
East Indies	20,473,000	21,422,000	21,700,000
Peru	7,924,700	9,138,042	10,750,676
India	8,150,000	8,000,000	8,000,000
Colombia	444,744	1,006,708	6,443,540
Argentina	5,669,900	5,949,000	6,200,000
Poland	5,657,000	5,960,000	5,600,000
Trinidad	4,050,612	4,386,507	4,971,000
Sarawak	4,163,000	4,257,000	4,500,000
Japan	1,959,000	2,000,000	1,850,000
Egypt	1,122,000	1,226,000	1,250,000
Ecuador	70,000	143,000	350,000
Other Countries	1,241,000	1,403,000	1,720,000
Totals	1,024,356,481	1,069,193,857	1,097,012,235

Since world production, like the production of the United States, has not fluctuated much in these three years, the period affords an opportunity to study the trend in various countries outside the United States. From the point of view of probable changes in rate of production that may affect the world situation the most interesting countries for study are, in order of present importance, Mexico, Russia, Venezuela, Rumania and Colombia. The trend in these countries is indicated in the chart on page 99, with a forecast of probable production for the current year.[1] It seems probable that these trends will be continued through the next few years. But definite predictions in any case are more than hazardous, and the following discussion is merely an attempt to indicate some of the things that may happen.

[1] Based for the most part on papers presented at the February, 1927, meetings of the American Institute of Mining and Metallurgical Engineers.

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MEXICO

From the nature of the fields in Mexico everything seems to point to a continued decline. This is likely to be accentuated by legal difficulties, which are pretty sure to restrict operations until the questions involved are finally decided. The effect over a period of years will depend on the results of the litigation and diplomacy. But in any case it appears that the importance of Mexico in world production will continue to decline. The discovery of new territory producing wells of enormous initial yield like those of the older fields would, of course, radically change the picture, but according to Small[2] the prospect for such discoveries is less favorable than it has ever been in the history of Mexican operations.

Ordinarily the course of oil development runs through a number of phases. The period of exploration and discovery is followed by a large influx of labor, with an attendant swarm of camp followers who are more than likely to over-run such organized forces of law and order as were required before the influx. Vice and crime are rampant until adequate police forces can be developed. The feverish activity of early development gradually subsides, the camp followers migrate to new fields and a period of thriving, prosperous enterprise follows, gradually dwindling to orderly insignificance as the production declines and leaving a comparatively small number of sober, industrious workers to carry out the slow, unexciting task of extracting the remainder of the oil.

In Mexico the decline has already made itself felt in a number of ways. Tampico, which rose from comparative insignificance to a port of first importance as a result of the development of the nearby oil fields, has begun to wane. Unemployment was increasing seriously even before the restriction of drilling permits under the new petroleum regulations became effective, and with the almost complete cessation of new drilling operations on the part of a large number of operators conditions may become acute in the very near future. Even the normal decline of production would have brought increasing unemployment and a fall in property values and in standards of living. At present there is no other industry in the region to absorb the released surplus of labor on anything like the wage scale that has been paid in the oil fields, and serious labor disturbances should occasion no surprise.

[2] February Meeting, Amer. Instit. Min. & Met. Eng.

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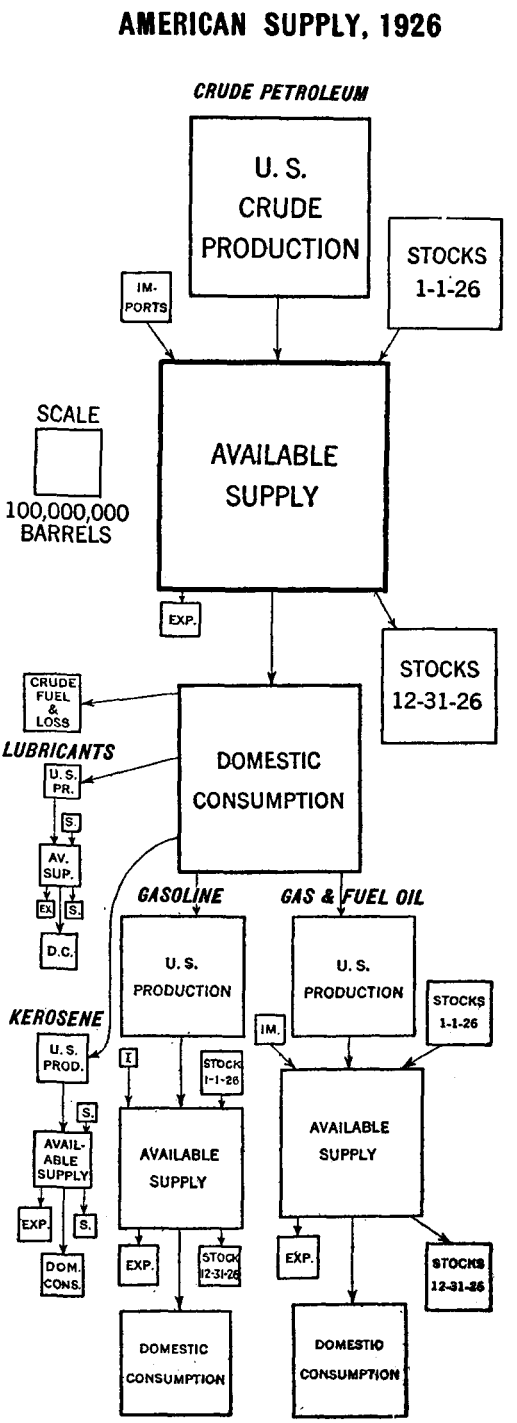
The oil field labor, always a turbulent element, has been to a considerable extent organized and dominated by extremists with whom the government of the State of Vera Cruz seems to be sympathetic. But direct action cannot increase the available oil supply, and ultimately a large part of the labor surplus must disperse to other fields or adjust itself to a reduced standard of living.

At the same time the Mexican Government is faced with a serious curtailment of revenues from oil production and export taxes, which have declined from about forty-two million dollars, or almost one-third of the total ordinary revenue in 1922, to a little over seventeen millions in 1926. On the basis of the production forecast it will probably not exceed thirteen and one-half millions in 1927.

To some slight extent the decline in the industry and the dwindling of the stakes may tend to lessen the international difficulties over the ownership of Mexican oil deposits. The political effect of diminishing revenues and increasing unemployment cannot be foretold. It may either exert pressure



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toward an early settlement in the hope of restoring revenues and employment, or it may lead to a definite effort on the part of the government to enter the field of oil development and production itself, which would seriously prolong the legal and diplomatic tangle.

RUSSIA

Until 1925 the Russian Oil Syndicate was forced to extend its exports in order to market not only gasoline, but fuel oil and kerosene as well. The recovery of the Russian home market since early 1925 has been rapid and now instead of over-production the demand exceeds the supply.[3]

The possibility of further increases in Russian production appears to depend largely on the furnishing of increased transportation facilities, as for example the construction of the projected Grozny-Novorossisk pipe line. This, and the installation of additional facilities for refining, are delayed largely by lack of credits. When the more acute financial problems have been solved very substantial advances in Russian production are to be expected. It is probable that Russia will equal and may even outstrip Mexico in 1927, and within a few years after the problems of financing have been met it may well surpass its former peak production of eighty-five million barrels, reached in 1901. In the six months ended March 31, 1927 the reported production was almost thirty-five million barrels, which was more than the production for the corresponding period of 1913, and exports for the period were almost equal to the exports for the entire year of 1913.

It seems entirely possible that extensive exploration and intensive development might within a few years bring Russia's production to two or three times its former peak, assuming favorable financial and political stabilization. If the proceeds of present operations are reasonably conserved, the financial difficulties may be considered well on the way to solution. Then, too, the negotiation of concessions or monopolies with foreign operators and marketers may solve the financial difficulties at a stroke. That such action might also plunge the petroleum world into inter-company and even international strife is hardly likely to worry the Russian Oil Syndicate or the Soviet Union.

[3] Zavoico, February, 1927, meeting, Amer. Instit. Min. & Met. Eng.

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VENEZUELA

The rapid increase in Venezuelan production has resulted largely from the developments along the eastern shore of Lake Maracaibo in what is known as the La Rosa-Lagunillas field. Because of a diversity of ownership, development in the productive zone has been competitive and at the present moment there doubtless is a surplus of production. The limits of the productive area have not yet been defined and the production will doubtless continue to be large for a considerable period. During the first six months of 1927 Venezuela produced 27,697,-716 barrels of oil and the expectation of 55,000,000 barrels for the year seems entirely reasonable.

Political and legal conditions in the country are perhaps somewhat more favorable to oil development in Venezuela than they are in most countries, and as geological conditions in large areas that have not as yet been tested by drilling are encouraging, the future prospects of the country are bright. It is within the range of possibility that in the next few years Venezuela may take the place being vacated by Mexico as the second largest producer in the world. It seems likely that second rank in the world's production will lie between Venezuela and Russia, and will depend largely on the rapidity with which Russia will be able to exploit her undeveloped reserves.

Some of the usual social adjustments are already making themselves felt about Maracaibo. Wages have increased about fivefold in the past five or six years, and commodity prices and rents have risen correspondingly. The increase in the standard of living is expressing itself chiefly, so far as the peon is concerned, in more and better clothes and in more numerous and prolonged *fiestas*. But the novelty of breaking away from the restraints formerly imposed by poverty will pass, and orderly progress will follow.

There is good ground for hope that many of the political difficulties that have been experienced by operators in Mexico will be avoided in Venezuela. In the first place, as the government early asserted its ownership in the sub-surface rights, all operations must be based on concessions granted by the government and usually the chain of title involves very few transfers. This will avoid the intricate questions which have been at the base of not a few controversies between companies in Mexico, and

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between companies and the Mexican Government. Further, the government has a balanced budget, enjoys excellent credit, and will not be forced to exact the maximum possible tribute from the oil industry. Its revenues will increase largely through its royalties, and through taxes on unexploited lands held under concession, but these are defined in the terms of the concessions, whereas the Mexican export and production taxes could not be foretold in advance with any degree of certainty. In addition, the country is at peace with itself and possesses a stable government which has worked out a policy for petroleum exploitation that is fundamentally sound and that gives the government a reasonable participation without imposing undue or uncertain burdens upon the holders of concessions.

Perhaps the greatest difficulties will arise over the question of concession boundaries, as a great part of the country is as yet unsurveyed and a conflict of surveys is inevitable. In this connection it is more than possible that efforts at corruption — and perhaps competitive corruption — may appear, but if the courts maintain their integrity no serious political difficulties are likely to result. As to possible future political difficulties, it should be noted that concessions have been granted by the government in such an orderly manner and on such a basis of fairness that no succeeding administration may abrogate them without inviting disastrous international complications, provided, of course, that the concession holders can appear with clean hands before their respective governments.

Internally Venezuela faces a possible strategic difficulty on account of certain geographic factors. Maracaibo, which is at present the chief center of the oil industry, lies several days' journey from Caracas, and although the transportation facilities between these points are being rapidly improved they are still somewhat primitive. Even under present conditions, however, it is hardly possible that a situation comparable to the Palaez régime in the Mexican oil fields can develop. The present and prospective oil fields are scattered over a much wider area than they are in Mexico and communication by sea between Maracaibo and Caracas can be maintained, whereas rail traffic between Mexico City and Tampico could be interrupted without difficulty. Further, the present administration has for years pursued a policy of conciliation with disaffected elements and there is every reason to hope that any future change in administration will take place

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by orderly process without any interruption of the continuity of the government itself.

COLOMBIA

In many ways conditions in Colombia are comparable to those in Venezuela, and there is no doubt that this country will make important contributions to the world's oil production in the next decade. Progress has been somewhat slower than in Venezuela, partly because of the fact that the development of the important producing area has been confined to a single large concession, eliminating all competitive exploitation, partly because of legal and technical difficulties in certain other promising areas, and largely because of lack of transportation facilities for moving large quantities of oil to seaboard.

In Venezuela the bulk of the production has been in or near Lake Maracaibo and barge transportation has been feasible, at least as a temporary measure. In Colombia the present important producing area is in the Magdalena valley, some 275 miles inland, and river conditions do not permit year-round barge operations. A pipe line with a rated capacity of 30,000 barrels per day has been built to tidewater and for some time has been operating considerably above its rated capacity. A parallel line now under construction will relieve the situation and with its completion the country's production will be substantially increased.

One of the largest potential fields in Colombia lies east of the main cordillera, in the southern part of the Maracaibo Basin, and its exploitation seems to depend largely on arriving at a satisfactory basis for importing machinery and exporting oil through Venezuela. The only alternative route is across the Andean barrier, and while this may not be insuperable it furnishes anything but a natural gateway. Negotiations with the Venezuelan Government have not as yet resulted in any workable agreement, but they are still being carried on and now that a boundary dispute in this region has been settled an amicable adjustment of differences should ultimately result. With an outlet through Venezuela, this field could contribute substantial amounts to Colombia's production as soon as transportation facilities are developed.

Colombia's rate of increase is not likely to match that of Venezuela, but taken together these two countries seem to afford the best hope for additional production to compensate

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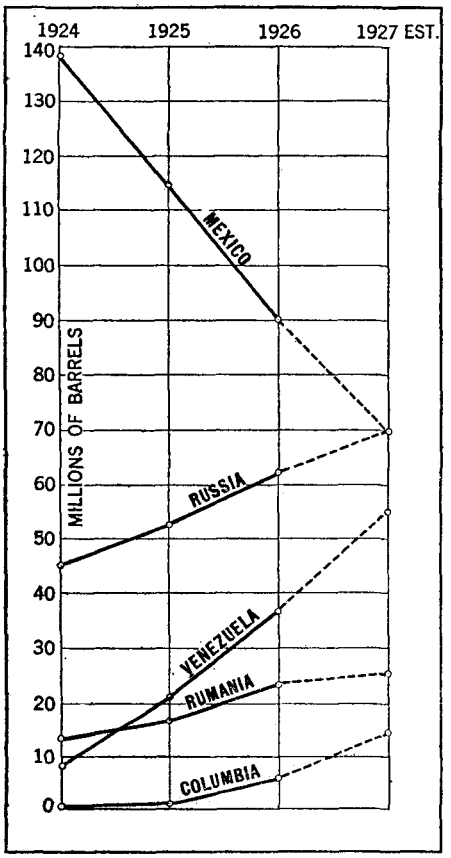
for the decline which must pretty surely come in the production of the United States. It may be too optimistic to hope that their increase will entirely offset this decline, unless our production rate is maintained for a number of years, but they may be looked upon as important sources of relief.



In the matter of titles, conditions in Colombia are more complex than in Venezuela as certain early grants carried the sub-surface rights. Since a few of these extend back to the 16th century the possibilities of conflicting claims and defective titles are not to be overlooked. In most cases, however, it appears that such difficulties are not insuperable and, of course, a large part of the country can be developed only under concession granted by the government.

The government of the Republic is in a very real sense a popular government and pursues its orderly course through changes of administration without difficulty. In the past the development of oil properties has been somewhat retarded through anxiety regarding adverse legislation, and, although such fears have not been entirely dissipated, rapid development under laws that provide a workable basis now seems to be assured.

RUMANIA

Rumania's recovery from the devastation of 1917 has been conspicuous and in 1925 and again in 1926 the production broke all previous records. How far this increase can go is problematical, but it hardly seems likely that the maximum yearly rate will exceed thirty or forty million barrels, and it is not anticipated

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that this country will ever be of major importance as a world factor in the oil industry. It must not be forgotten, however, that Rumania's oil deposits are of sufficient importance to be reckoned with in the international political strategy of the Balkans, and hence of the world.

OTHER COUNTRIES

In this discussion (illustrated by the chart on page 99), several important countries have been omitted, either on account of lack of explicit information or because there is comparatively small likelihood of any substantial change in their rates of production within the next few years. Persia, for example, is producing steadily about thirty-five million barrels per year. This could probably be doubled, possibly trebled if occasion required, but production is controlled and the future rate will, within certain limits, depend on the wishes of those in control. The Dutch East Indies are producing about twenty-one million barrels annually and there is no great probability of change in this rate in the near future. Peru has expanded rapidly in the past few years but is approaching a probable peak of some fifteen million barrels and will never be very important from the world standpoint unless prolific fields should be developed on the east side of the Andes — and such fields, if discovered, cannot seriously enter the world market for a considerable number of years.

In addition to the countries which are at present productive, important new regions may in the future begin to make contributions. Important among these are Asia Minor, Mesopotamia, the Orinoco basin, and a long belt extending from Colombia into Argentina along the east side of the Andes, an area the exploitation of which on a large scale cannot be expected for a period of years.

THE WORLD SUPPLY

For convenience, the world's great oil reserves have been grouped in three broad regions, though these are not really defined geologic or geographic provinces.[4] In this arrangement the United States is taken as one unit, another is the group of countries about the Caribbean Sea and the Gulf of Mexico (south of the United States) including Mexico, Central America, Colombia, Venezuela and the West Indies, and the third is the

[4] Pogue, "Economics of Petroleum," Wiley & Sons, 1921.

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Caspian-Black Sea-Eastern Mediterranean area, including Rumania, Southern Russia, Mesopotamia, Persia and Asia Minor. It is from these regions, with the possible addition of the comparatively little known belt lying east of the Andes, that the major part of the world's future oil supply must apparently be drawn.

Repeated attempts have been made to state quantitatively, in terms of barrels, the world's available supply of oil, but the results have not been wholly satisfactory. The most recent attempt to estimate the supply of the United States is much more painstaking than any previous effort and was based on more adequate data than have been available for earlier studies, but the figures cannot be compared with previous estimates for other countries without some danger. This estimate, prepared by the Committee of Eleven of the American Petroleum Institute, assumes improvements in the technology of oil recovery and includes oil "producible at some price", neither of which is presumed to have been taken into consideration in the earlier world estimates.[5] David White's provisional estimate of 1920 was as follows:

THE PETROLEUM RESERVES OF THE WORLD

Country or district	*Relative number*	*Million barrels*
United States and Alaska	1.00	7,000*
Canada	0.14	995
Mexico	0.65	4,525
Northern South America including Peru	0.82	5,730
Southern South America including Bolivia	0.51	3,550
Algeria and Egypt	0.13	925
Persia and Mesopotamia	0.83	5,820
South-eastern Russia, South-western Siberia and the region of the Caucasus	0.83	5,830†
Rumania, Galicia and Western Europe	0.16	1,135
Northern Russia and Sakhalin	0.13	925
Japan and Formosa	0.18	1,235
China	0.20	1,375
British India	0.14	995
East Indies	0.43	3,015
Total	6.15	43,055

* Later estimates give far larger quantities. David White of the U. S. Geological Survey in 1921 estimates the reserves at 9,150 million barrels, and the American Petroleum Institute arrives at considerably higher figures (*cf.* text).

† Also here more recent estimates are much higher: 20 to 30 milliard barrels.

[5] "American Petroleum Supply and Demand," McGraw-Hill, 1925.

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Total Eastern Hemisphere	3.03	21,255
" Western Hemisphere	3.12	21,800
" North of Equator	5.20	36,400
" South of Equator	0.95	6,655

These figures serve to show the great discrepancy between the reserve position of the various countries and their current status in the world industry, as indicated by their rates of production.

In the light of present day conditions, material changes would have to be made in the reserve estimates and at best the figures are useful only in a general way. Their use is attended with especial danger if they are made to form a basis for estimating the date when the supply of a given country is to be exhausted, which is often done by dividing its reserve by its current rate of production. Thus the American Petroleum Institute's estimate for the United States in March, 1925 placed the figure for proven and developed fields at 5,321,427,000 barrels. From that date to the end of 1926 we produced something like 1,360,000,000 barrels with comparatively few new discoveries. The balance of 3,960,000,000 barrels amounts to a little more than five years supply at our current rate of production. If this truly represents the quantity of oil remaining to be produced we must face a drastic reduction in the rate of production, for it will be physically impossible to extract *all* of the remaining oil in five years, or even ten years; *or* we must continue to add to our proven fields by discovery of new, enormously productive deposits. In my opinion none of these estimates of world reserves should be taken as quantitative but merely as a broadly general indication of the relative order of magnitude of the prospective reserves. Perhaps they may serve to spur the industry to improved technology in conservation all along the line. In addition, they enable us to anticipate to some extent the probable direction of the shift in dominance of the situation, but conditions and our knowledge of them change so rapidly that an estimate made today would be of quite different complexion from that of 1920, and further changes of major importance are to be expected from time to time. In a word, I believe these figures have nothing like the validity and permanent value that obtains in the case of our world estimates of coal, iron, copper, tin, and a wide range of other mineral resources, and that they should be used only with the greatest caution.

In discussing reserves a further consideration must not be

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overlooked. There is what may be designated a "technological reserve," which may supply products for more urgent uses by converting fuel oil, for example, into more volatile hydrocarbons suitable for motor fuel. With facilities already available our present supply of crude oil can be made to furnish a very largely increased volume of motor fuel at the expense of fuel oil, which is in many instances on a competitive basis with coal.

Further reserves in the form of shale oil and low temperature coal distillates will be available when price conditions warrant their production to supplement petroleum products. The recent acquisition of the Bergius patents by one of the large American companies appears to indicate a new recognition of these possibilities by one of the powerful factors in the oil world.

THE FUTURE

It may be worth while to draw a picture (again not a prediction) of what may possibly occur within the next decade. In this picture we see the United States producing at an annual rate of five or six hundred million barrels, Venezuela and Colombia contributing one hundred and fifty or two hundred million, Russia one hundred to one hundred and fifty million, and Persia with Mesopotamia contributing some hundred million, with the remainder of the world's supply coming from a large number of lesser sources. In each case the increase in production will tend to elevate the standard of living and to increase government revenues for a time at least, but the restrictions imposed by decline of production and curtailment of revenues have great potentialities for trouble.

Referring again to the three broad areas in which the world's reserves appear to be concentrated, it is of interest to note that the first is, of course, under control of the United States; in the second (Gulf-Caribbean) the ownership of concessions is divided between British and American interests; while the third (Black Sea-Caspian) is largely within the British sphere of influence. Thus, it seems that even though the rates of production in the various countries change substantially it is likely that the world situation will be dominated by America or Great Britain, especially as Britain and America are the dominant financial powers of the world and the oil industry is firmly intrenched in each.

As a result Britain or America, or both together, will have to

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do with oil development in one country after another, as the focus of operations shifts from time to time; one or both will be involved in legal and diplomatic tangles that may arise, and the extent of their coöperation and the fairness they show will determine to a large extent whether the control of the world's oil supply shall be in the interests of peace or of war. If England and America should support opposing factions in some weaker country, each working to give the control of the local oil supply to its own nationals, the possibilities for trouble would be very real. Each country may count on receiving support from its nationals on the plea that oil is necessary for national defense, even though the controversy may be fundamentally one of commercial competition rather than a matter of national defense.

No doubt America will feel no small irritation when she is no longer able to supply her own demands from domestic production, and when this moment comes the control of foreign sources of supply may become a popular issue in American politics. On the other hand, British opinion will, no doubt, follow Deterding in his protests against the Russian efforts of Standard Oil Company of New York, which may appear as a challenge to Britain in the regions she dominates, a challenge that will seem in extremely bad taste after the "generosity" shown by Great Britain in allowing American operators to participate in the development of Irak under a sort of British hegemony. And, doubtless too, many Americans, knowing no more than their British cousins about the real situation, will lend what support they may to the New York company because it is an American company.

We may look with more or less equanimity upon a trade war between two American companies, but a trade war in the oil industry between a powerful British group and a powerful American group holds within it the possibility of a struggle for dominance of control over the supply by the nations themselves and that is, unfortunately, more serious. There is, of course, the alternative possibility of a combination, or some sort of co-operative arrangement between the great competitors in the field of petroleum; if this can be effected under proper control the danger of serious tension will be materially lessened.

It seems almost as inevitable as the operation of a biological law that the world's oil resources must be developed to supply the world's demands without much reference to political boundaries and ownership of the deposits. The possibilities of accom-

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plishing this without serious international difficulties rest largely upon the shoulders of Great Britain and America. If they accept their dominance as a quasi-trust under which they shall deal justly and reasonably both with the producing nations and the consuming nations, whether they be large or small, strong or weak, trouble can be avoided, but deviation from the course of fairness and justice will be attended with grave danger.

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BATTLESHIPS OR SUBMARINES?

By L. Y. Spear

THE particular problem before the ill-fated Geneva Conference was the extension of the Washington Limitations Agreement to cruisers, destroyers and submarines, and the American formula there presented was identical in principle with the provisions of the Washington Treaty relating to battleships and airplane carriers, in that it involved limitation of the total tonnage of each category of ship, coupled with substantial freedom as to numbers and displacements of the individual units in each category. While the majority of laymen were disposed to assume *a priori* that a principle sound for battleships would necessarily be sound for all other fighting vessels, and hence anticipated a successful outcome of the Geneva Conference, this view was not shared by many students and specialists, who correctly foretold the outcome of the Conference. Fortunately the failure of the American effort at Geneva can be correctly ascribed to the fallacy inherent in the underlying assumption, viz: the practicability of extending the principle of battleship limitation to cruisers, destroyers and submarines, and not to any lack of good faith or good will on the part of any of the participating Powers. Correctly estimated, then, the failure at Geneva should be taken to involve nothing more than the permanent closing of one particular avenue of approach. This being so, the public should now be in a mood to welcome and give serious consideration to any suggestion looking towards the attainment of the general object sought by approach from a different angle.

In the July issue of *Foreign Affairs* the well-known British naval publicist, Mr. Arthur H. Pollen, makes a novel and arresting suggestion, namely, that Great Britain and the United States entirely abandon the torpedo and its most efficient and useful carrier, the submarine. The economic advantage which might follow the adoption of this suggestion would be relatively insignificant, and its adoption would be fatal to the fulfillment of the naval policy necessary to realize the aims and aspirations of the American public. But in view of Mr. Pollen's very valuable past contributions to naval literature and his well-established reputation for independent and original thought, his opinions cannot be dismissed with a mere wave of the hand; on the contrary, it is

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incumbent upon those who disagree with him to justify the contrary faith which is in them. It is accordingly next in order to state as tersely as possible the case so persuasively put by Mr. Pollen, as well as the opposing view.

In brief, the counts in Mr. Pollen's indictment of torpedo warfare in general, and of submarine warfare particularly, may be summarized as follows: (1) He holds that the torpedo itself is incapable of inflicting serious or decisive damage upon the modern battleship by reason of the recent development of special underwater protection designed to minimize the effects of torpedo explosions. (2) He holds that the submarine, on account of its inherent and unchangeable characteristics and limitations, has, except under very special circumstances, substantially no chance of successfully torpedoing surface warships. (3) He holds that the armed convoy of merchant ships offers a complete and adequate defense against submarine attacks, and that, in consequence, the submarine has no substantial value as a commerce destroyer. (4) He contends that the above conclusions are vital and permanent truths conclusively proven by experience in the World War.

Addressing ourselves first to the question of the destructive power of the torpedo, it is common knowledge that during the World War many scores of ships were sunk by torpedoes and many others seriously damaged. The casualty list included cargo and passenger ships of all classes and sizes, transports, colliers, tankers, submarines, destroyers, cruisers and battleships. Consequently, if experience proves anything incontestably, it proves that the battleship does not constitute the only worthwhile torpedo target, and that the continued use of the torpedo would be justified, even if the battleship itself enjoyed the non-existent immunity claimed for it. As to battleship immunity, we should always bear in mind that in the development of fighting ships and naval *matériel*, unending competition exists between the offense and the defense, as illustrated, for instance, by the familiar duel between gun and armor, and that the fortunes of that competition vary from year to year, that is to say, that at one selected moment the offense may overbalance the defense, and that at another selected moment the contrary may be true. It should be obvious that in any serious war the *matériel* employed cannot all be of the very latest design, so that in war the most modern offensive weapon may be opposed to obsolescent or obsolete defense, and *vice versa*. As to guns and armor, the World War afforded many

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instances of this truth, and exactly the same thing is true with regard to the torpedo and the anti-torpedo protection of battleships. Excluding units damaged but not actually sunk, also all units more than twenty years old at the outbreak of war, the record of torpedo victims in the World War includes fifteen battleships. At the outbreak of the war, eight of these were more than ten years old, and it is therefore not surprising that their anti-torpedo protection proved wholly ineffective even against antiquated or obsolescent torpedoes which were freely used during the war. There remain seven battleship victims ranging in tonnage from ten to twenty-three thousand tons, and in age from zero to six years. Clearly then, the statistics do not in themselves justify the theory that the torpedo is effective against nothing but old and obsolete ships.

As a matter of fact, however, the question at issue cannot be properly determined by mere statistics, since the situation we confront is a fluid one and not a static one, the real question being not what happened in the last war, but what may reasonably be expected to happen in the next one. It must be conceded that it is possible today to afford the battleship anti-torpedo protection sufficiently efficient to practically assure her against complete destruction by a single hit by the most efficient type of torpedo used in the World War. By the same token, she can be equally well protected against the results of a single salvo of the heaviest shell, but in neither case can we afford to overlook either the serious and possibly disabling damage which can be inflicted by a single hit or the chances of sufficient hits to accomplish destruction. In view of these facts, the abandonment of the torpedo would not be justified, even if the development of destructive power had stood still during the recent development of battleship anti-torpedo defense. This is by no means the case. As a matter of fact, it is quite possible today to construct torpedoes capable on occasion of completely destroying the very latest battleship by a single hit.

The logical deduction from the facts thus briefly recited is that the charge of ineffectiveness laid against the torpedo as a weapon for attack on battleships lies with substantially equal force against the gun, and that the abandonment of the torpedo on this account does not lie within the bounds of present-day possibility.

Granting to the torpedo, as we must, its appropriate place as a naval weapon, we still have to examine the charge of inefficiency

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brought against the submarine *per se*. At the outset, it should be remarked that since space is lacking for exhaustive treatment of the subject, we shall have to be content with a brief examination and discussion directed primarily towards elucidating the real lessons of the World War. In so doing, we must always recognize the fact that no conclusion can be sound except when the premises include every element contributing directly or indirectly to the result, and, moreover, that the value of any conclusion as regards the future must be dependent upon the established preponderance of permanent over mutable factors.

In its titanic struggle at sea with Germany, Great Britain enjoyed certain advantages which in the end proved decisive. The influence of these advantages affected every aspect and phase of the struggle, and every assessment of historical fact which excludes or underestimates them is worthless. The first of these two great advantages was that of geographical position, and the second was the substantial margin of sea power possessed by Great Britain at the outbreak of hostilities, a margin which in fact increased as the war progressed. A mere glance at the map will afford sufficient evidence of the enormous importance of the geographical advantages enjoyed by the British Empire. Since the German Empire possessed no sufficiently fortified outlying naval bases, the necessary consequence was that all its naval efforts, not sporadic in character, had to be launched from its own insignificant seacoast. From the German Coast, access to the high seas could only be obtained out of the Helgoland Bight or through the Kattegat and all of the lines of communication with the high seas were flanked by the British Isles, which stand relative to the German sea outlets like a loose-fitting cork in a narrow bottle neck.

Notwithstanding the proven inferiority of British *matériel* in certain details, such, for instance, as projectiles, armor protection and searchlight installations, British victory at sea in a war limited to surface navies was from the beginning inevitable by reason of the above mentioned advantages. While under the actual conditions of the World War, the limited use of the submarine proved insufficient to turn the scale, it cannot be denied that the German submarine effort materially influenced the progress of events and brought Great Britain to the very verge of a disastrous defeat. It is a historical fact that an inferior navy suffering under great strategical disadvantages almost succeeded

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in redressing the balance by calling the submarine into play. Under the circumstances, it is certainly pertinent to inquire whether the actual division of the German pre-war effort between surface and submerged power was sound. At the outbreak of hostilities, the Germans possessed only 28 submarines of an aggregate tonnage of 16,320. Of this total, ten units, aggregating 4,840 tons, were of inefficient, experimental types of little value for anything more than local operations in close vicinity to a base, so that the active and reasonably efficient force was reduced to 18 units, aggregating 11,480 tons. Taking the relative first costs per ton of the principal categories to be:

Submarines	100
Destroyers	75
Light cruisers	60
Battleships	35

we find the equivalents to be — in battleship tonnage 13,824, an insufficient amount for a single first-class unit; in cruiser tonnage 8,060, or two 4,000 ton units; in destroyer tonnage 6,455, or six first-class units. No one will be bold enough to allege that the addition to the German surface fleet of any of the above alternative equivalents would have had any material effect upon the outcome of the war, nor that any of them would have been able to inflict upon the Allies any substantial portion of the damage actually inflicted by the equivalent tonnage in submarines.

The truth is that at the outbreak of the war Germany possessed only a small submarine force, totally inadequate for a serious submarine offense. The effort made during the war to remedy this deficiency by providing a force of sufficient proportions in *matériel* and trained personnel to insure the defeat of the Allies was hampered from the beginning by the vacillating policies of the Government, with the result that the potential submarine power created by the Germans during the war was never sufficient to overcome the Allied defensive measures during those periods when the High Command had a free hand as to its employment.

Enough has been said to indicate the far-fetched character of the assumption that the failure of Germany to win the naval war demonstrated the inefficiency and in-utility of the submarine *per se*. The truth is that the force provided by the Germans in both surface and submerged craft was always inadequate for the tasks involved by the German war policies, and that the final

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result was not in any material degree affected by the individual or unit efficiency of any type of ship.

While the attrition of the Allied surface fleets brought about by German submarine action was not sufficient to change the balance of surface power, it was by no means negligible, and a study of the actions in detail demonstrates conclusively that no class of surface warship could operate with immunity in the vicinity of strong submarine forces. High speed zig-zagging, screening by destroyers and all other known measures of defense served merely to reduce the danger, not to eliminate it. The war confirmed the pre-war convictions that submarines had rendered close blockades impossible, had largely circumscribed the freedom of movement of the heavy forces, and had materially reduced the radius of action of battleship fleets by imposing upon them the necessity of attached anti-submarine screens. Except for the German submarines, the British Navy would have been free to operate at any moment in any part of the North Sea not guarded by mine fields or German coast fortifications. Actually, it was for months practically homeless, being in fact at one time driven from the North Sea to a base on the northern coast of Ireland, a move which was directly responsible for the loss by mining of the superdreadnaught "Audacious." In other words, Germany through the submarine succeeded in imposing her will upon the Allies to a degree which would have been quite impossible in the absence of a submarine force. Moreover, she created an enormous drain upon the resources and man power of the Allies by forcing them to create and maintain a special defense against her submarines, which included not only aircraft, fixed obstructions and enormous mine fields, but a special navy of auxiliaries numbering many thousand craft.

Turning now from the general to the particular, and directing attention for the moment to the utility of the submarine as a commerce destroyer, there can be no reasonable doubt that the belated adoption by the Allies of the movement of merchant ships under convoy was an important factor in the ultimate defeat of the German effort. We are certainly not justified, however, in overlooking the other contributory causes, namely, the geographical position, aircraft, nets and other obstructions, mine fields, and the enormous anti-submarine navy, all of which were material factors resulting in reducing the number of submarines actually in operation, and lowering the *morale* of the personnel. The

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morale factor is in itself of vital importance, and the evidence as to the deterioration of German *morale* during the last year of the war, i.e., during the period of convoy, appears overwhelming. As a matter of fact, the principal advantage of the convoy system is that the submarine is deterred from making gun attacks on the surface and forced to attack submerged, using the torpedo. Except in the case of very modern submarines especially designed for this work, the supply of torpedoes is necessarily very limited, so that when the submarine is forced to use torpedoes to the exclusion of guns, her destructive capacity per cruise is materially decreased, which is the same thing as saying that the accomplishment of a particular mission must under these conditions necessarily involve the use of a larger number of boats. It would be difficult, if not impossible, to find any experienced submarine officer in the American Navy, or any (in all probability) in the British Navy, who would admit that the convoy system can be made effective to the extent of preventing or very materially reducing losses. It certainly involves an element of risk to a submarine not otherwise present. But war cannot be made without risk. It is pertinent here to add that many instances of the destruction by submarines of ships under convoy are revealed by the detailed history of the war. On the whole, then, we are certainly justified in stating that the convoy system is not a magic cure-all. On the other hand, we must admit that it is a useful defensive measure and against its value we must place on the other side of the balance sheet its material disadvantages, which are so well known as not to call for recital here.

In view of the failure of the Geneva Conference to reach an agreement with regard to cruisers, destroyers and submarines considered as an integral group, and the impossibility of progressing along the line of the abolition of the submarine, does it follow that further limitations are impracticable? In the writer's opinion the answer should be in the negative, even if the Geneva result be accepted as conclusive and final with respect to the particular categories dealt with there. There is no sound reason for assigning a permanent status to the battleship tonnages adopted by the Washington Conference. The battleship itself is by far the most expensive standard naval unit, and, moreover, each unit of battleship tonnage necessarily requires additional cruiser, destroyer and airplane carrier tonnage, to say nothing of the large and expensive shore establishments required for main-

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tenance and repair. In consequence, the total battleship cost, direct and indirect, constitutes by far the greater part of the naval expenditure of those Powers which maintain battleship fleets. It is obvious, then, that the economies which might be effected by any practical limitation upon auxiliaries are of less importance than those which would flow from substantial reductions in battleship strength. The case for further examination of the battleship situation does not, however, rest solely upon the economic aspect of the problem, since there is very good reason to believe not only that the Geneva failure with respect to cruisers, destroyers and submarines was the logical result of the attempt to apply false principles, but that the Washington success with respect to battleships and airplane carriers was the logical outcome of the application of correct principles. Assuming for the moment the soundness of this analysis, do we need any further guide as to the nature of the only practical and profitable course open to us prior to the discovery and acceptance of a correct principle applicable to the so-called auxiliary types?

It is a truism that no nation can assess its naval needs without reference to the forces maintained by the other Powers. In fact, the matter of relative strength is by necessity the determining factor. It must always be remembered, however, that while this consideration must necessarily control total strength, it is by no means applicable in detail to all categories of ships. The writer further believes that it can be affirmatively shown that the principle applies directly to battleship fleets and that it does not and cannot logically apply to detached cruisers, destroyers and submarines. It may be worth while to set forth briefly the foundations for this belief.

The fundamental fact to be kept always in mind is that the battleship is essentially a single purpose ship and necessarily inefficient by reason of its inherent qualities in the performance of any important war rôle other than offsetting its like. It lacks the necessary speed to take the initiative against cruisers and destroyers, and likewise, for obvious reasons, it cannot force the submarine to action. Its existence, in fact, weakens the offense directed at these types, since the protective screen, without which it cannot take the sea, necessarily diminishes the force which would otherwise be available for offensive action. It is an eminently unsuitable form of force for the attack upon commerce, and totally unnecessary for the adequate protection of commerce

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against attacks by other types. Similar considerations apply to the attack and defense of military lines of communication. Through the development of the submarine, the destroyer and the airplane, the battleship has lost its old-time ability to maintain a chosen position in the face of everything but superior force in the same form and the loss of that power forbids its use on blockade, and reduces to insignificant proportions its value for attacking shore establishments and troops.

When all is said and done, then, with two exceptions there is no war operation which ever has been or ever can be attempted by the battleship which could not be more efficiently performed by some other existing type. The exceptions referred to are: First, action against battleships; and second, action against that limited class of shore establishments, the defenses of which are too strong for the lighter types and not sufficiently strong to defeat the battleship. It is only fair to assume, as was demonstrated by the World War, that no shore establishment of great importance will be so weakly defended as to permit successful battleship attack, and we may thus fairly exclude this very minor rôle from further consideration and assert with confidence that the only plausible excuse for the existence of the battleship is the maintenance of the type by a foreign Power or Powers. In the minds of a minority but growing group of naval officers, led in the United States by that very distinguished naval officer, Admiral W. S. Sims, even the existence of foreign battleships is not a sound reason for their maintenance in the United States Navy. It is, however, not necessary to pass judgment here upon that very important issue, since our sole object now is to establish the fact that so long as that school is in the minority, the principle of relative strength must apply with full force to the battleship type. This being so, what more fertile field could be found for further limitation by agreement, which, while benefitting all alike financially, would involve no change whatsoever in relative strength? As matters stand today, the United States, Great Britain and Japan have accepted battleship ratios of one hundred, one hundred, and sixty respectively, with corresponding tonnages approximating 500,000, 500,000 and 300,000. Why could not every legitimate national need and aspiration still be met if these tonnages were reduced to say 300,000, 300,000 and 180,000? Indeed, unless there be elements in the situation known only to those in the inner circles, there would appear to be nothing in the way of reducing these

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tonnages down to the limit set by a safe preponderance over the tonnage available to any other Power or combination of Powers.

In closing, it may not be out of place to point out that the principle of relative strength cannot be applied without modification to cruisers, destroyers and submarines. These vessels have a number of different war rôles to perform, and the number or tonnage required by any particular nation is not definitely fixed by the number or tonnage maintained by any other nation. Other considerations, such as the extent and configuration of the coast lines, location of bases, lines of communication, dependence upon sea-borne commerce, etc., cannot with safety be disregarded, and, in the nature of things, the ultimate decision as to needs must be in every case a domestic one rather than an international one. If, however, the further limitation of battleship tonnage be brought about, a reduction in airplane carrier, cruiser and destroyer force will be automatically achieved, since any shrinkage in battleship force would release corresponding tonnage in the other categories for the other duties appropriate to the type, and thus help to provide, without further expense except for maintenance, the needed force in the fields which are not solely governed by relative strength.

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CANADA, THE EMPIRE, AND THE UNITED STATES

By John S. Ewart

I. CANADA, THE FIRST PERIOD

At the end of a long series of wars, France transferred Canada and other territory to the British crown. If we ask what all the fighting was about, we get the answer in the statement of Colonel Seeley in "The Expansion of England:"

"The fact, then, that both in America and in Asia, France and England stood in direct competition for a prize of absolutely incalculable value, explains the fact that France and England fought a second Hundred Years' War."

Thereupon, the King directed the Lords of Trade to enquire:

"By what regulations, the most extensive commercial advantages may be derived from these cessions, and How those advantages may be rendered most permanent and secure to Her Majesty's trading subjects."

In reply, the Lords of Trade reported (June 8, 1763), in part, as follows:

"The most obvious advantages, arising from the cessions made by the Definitive Treaty are: the exclusive fishery of the River St. Lawrence, on all the coasts in the gulf of St. Lawrence and all the islands in that Gulf. The most obvious benefit acquired by the cessions made to your Majesty is the fur and skin trade of all the Indians in North America. Another advantage attending the late treaty is the secure settling of the whole coast of North America, as its produce may invite, or convenience for settlement may offer."

The Lords advised that the limits of Canada on the west and southwest should be a line from Lake Nipissing to the St. Lawrence at the 45th parallel of latitude. Why?

"The advantages," they said, "resulting from the restriction of the colony of Canada will be that of preventing by proper and natural boundaries, as well the ancient inhabitants as others, from removing and settling in remote places where they neither could be so conveniently made amenable to the jurisdiction of any colony nor made subservient to the interests of the trade and commerce of the Kingdom by an easy communication with, and vicinity to, the great River St. Lawrence."

That was all in accordance with the accepted ideas of the time. It was comprehended under the phrase *the mercantile system* — British possessions exist for the benefit of the British: (1) exclusive markets for British products; (2) exclusive employment

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for British shipping; and (3) exclusive British right to colonial exports.

Between 1763, when Canada with 60,000 French people became British, and 1792, government was carried on for eleven years by a Governor, and for the remaining eighteen by a Governor and a nominated Council, it being "at present inexpedient," the statute of 1774 said, "to call an Assembly." With these arrangements, the French — still the large majority of the inhabitants — were well satisfied. But — and here commenced the perturbing influence of having the United States as a neighbor — the flight into Canada, during and after the War of Independence, of many thousands who regarded themselves as "loyalists" made the indefinite continuation of paternal government impossible. These men were British.[1] As such, they had been accustomed to a large measure of self-government. And they were no less British when they settled in their new homes. For that reason, as well as that, "in order to provide for objects of internal Government, some power of Taxation should reside upon the spot."[2]

But the British government was loath to make the concession. The Assemblies in the American colonies had been sources of perpetual worry. They were not only restless, but disrespectfully contentious, and even upon occasion flagrantly disobedient. Would it be possible to get on without them? Perhaps so. Let the experts of the Colonial Office study the situation, and say if it were really necessary to take up a position on the slippery slope leading opportunity to independence. The experts did what they could (1789), and reported[3] their opinion upon the great question

"by what means the connection, & dependence of Canada, on this Country, may be so preserved, & cultivated, as to be render'd most beneficial to Great Britain, during its continuance, & most permanent in its duration.

"It may, perhaps, be justly doubted, whether any form of Administration which could now be established would prevent the separation of so great, & distant a dominion, after it should have arrived at a certain point of extension, & improvement. But the real question now to be decided is, what system is best calculated to remove this event to a distant period & to render the connection,

[1] The British settlers prior to the war were estimated at 6,000, and the "Loyalists," chiefly settled in the Upper Country, at another 6,000. *Can. Arch.*, C. O. 42, vol. 21, p. 55.

[2] The right of the imperial parliament to impose taxation for the purposes of general defence or of internal regulation and improvement had been renounced by the British parliament as early as 1774.

[3] *Can. Arch.*, C. O. 42, vol. 21, p. 55. The report is little known, but of great importance.

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in the interval, advantageous to the Mother Country without oppression or injury to the Colony?

"It is certainly very material to examine the constitution of our former Colonies with a view to this Question, in order that we may profit by our experience there, & avoid, if possible in the Government of Canada, those defects which hastened the independence of our antient possessions in America.

"The establishment of a separate and local Legislature in a distant province, under any form or model which can be adopted for the purpose, leads so evidently to habitual Notions of a distinct interest, & to the existence of a virtual independence as to many of the most important points of Government, that it seems naturally to prepare the way for an entire separation, whenever other circumstances shall bring it forward. If therefore the subject were entirely new, & if the preservation of the dependence of a colony on its Mother Country were the only object to be considered, it should seem that this would best be attained by reserving at home the whole right & exercise of the power of Legislation; and that this system, tho certainly less adapted to promote the prosperity of the province, would probably be effectual to maintain, for a very considerable time, the union of the Empire."

But that could not be done. Assemblies had been established in "all the British Colonies," even in Nova Scotia and New Brunswick. There must be a Legislature. But, that granted,

"it remains to compare the plan which is now proposed for Canada, with the Constitution of the ancient Colonies,"

with a view to avoiding "those defects." And, first, it should be observed —

"That in the formation of those Governments, while full Scope & Vigour were given to the principles of Democracy by the establishment of a popular representation, in their houses of Assembly, no care was taken to preserve a due mixture of the Monarchical, & Aristocratical parts of the British Constitution."

That was particularly noticeable in the formation "of the second branch of the Legislature," in which the "aristocratical" part of the British constitution was not sufficiently reproduced, the appointees being men who

"Were liable to be removed from their Legislative Function, at the pleasure of the Crown, & acquired no permanent rank or distinction above the rest of the Community. To the want of an intermediate Power, to operate as a check, both on the misconduct of Governors, & on the democratical Spirit, which prevailed in the Assemblies, the defection of the American Provinces, may perhaps, be more justly ascribed, than to any other general cause which can be assigned. And there seems to be no one point of more consequence, in this view, than the labouring to establish, in the remaining provinces, a respectable Aristocracy, as a support, and safe guard to the Monarchy, removed, as it is,

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at so great a distance, & on that account, so much less powerful, in its weight, & influence upon the people at large."

Another defect was the absence from the colonies of the Sovereign.

"Whatever effect arises, here, from the immediate presence of the Sovereign, or from the influence of His Court, was therefore, necessarily lost, at so great a distance from the Mother-Country."

Another defect was the character and helplessness of the Colonial Governors.

"The nature of the Situation allotted to the Governors in America, the limited extent of their Authority, the dependence in which they frequently found themselves on the Colonies even for their own support, & Maintenance, the little consequence annexed to their Station, &, sometimes, the character and rank of the persons sent there, were but ill adapted to remedy the defect arising from the absence of the Sovereign."

Another defect was the fact, that although

"the power of conferring honours, and emoluments, enables the Sovereign, in this country, to animate the exertions of individuals, & to secure their attachment to the existing form of Government, by all the fair objects of just, & honourable ambition," the "case was widely different in the Colonies. The rewards of the Crown were few, they were such, as conferred little distinction, & they were perhaps sometimes bestowed with a very small degree of attention to the principle, which has here been stated."

Another defect was that theretofore offices in the colonies had been given to men who never left England, to men who appointed, and by their patents were permitted to appoint, colonials or others to do the work on a bargained percentage basis.

Another defect was the absence of revenue. In the United Kingdom

"the King possesses a large hereditary Revenue. . . . applicable to the Expences of the Civil Government." In Canada, "nothing of this sort has been established: The expences of the Government, there, have either been borne by this Country, or they have been defrayed by Taxes, imposed by the Provincial Legislatures. . . . No additional expence to Great Britain, on this account, can, or ought to be proposed: and the difficulties, which prevented the levying a sufficient revenue, for the purposes of Government, in the American Atlantic provinces, are likely to operate, with quite as much force, in that of Canada."

The list of defects was formidable. What could the experts propose for remedies?

As a check on gubernatorial misconduct and on the "democratical spirit," it will be advisable that the members of the

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second Chamber should be "appointed for life," instead of, as heretofore, "at the pleasure of the Crown," and that there should be conferred "on the persons who may be called to the Upper House of the Legislature, some personal, or hereditary distinction of Honour & Nobility." To the London experts that appeared to be a simple and natural way of meeting the difficulty. In Canada it was regarded as impracticable. It was never put into operation.

The absence of the Sovereign was irremediable; but something could be done with reference to both that defect and the position of the Governors. Among the American colonies there had been no cohesion or collaboration. Each Colony had its own Governor, and above them was nobody but the Colonial office. Why not introduce a unifying and loyalty-producing influence by giving to one person — a Governor-General — a superintending position over the Governors of the various Provinces? That, it was said, "must operate to give weight, & dignity to the representation of the executive authority." To add to the "weight" of the Governor-General, Sir Guy Carleton became Lord Dorchester, and in him were united "the Supreme Civil & Military Power." But that, too, would not work in Canada. Dorchester did what he could. But Simcoe, the Lieutenant-Governor of Upper Canada, disputed his "assumptions," and the over-Governor idea was abandoned.

Unfortunately, little could be done in the way of animating "the exertions of individuals" by distribution of "honours and emoluments." Perhaps, however, "democratical spirit" will be checked somewhat by the introduction of a House of Lords. That "would afford an additional source of respect, & consequence to them, & would thereby strengthen the principle which has already been explained."

The scandal of granting offices in Canada to friends of the Colonial Office who, remaining at home, farmed them out at profit-percentages to Canadians, was to be stopped. Why? Because it would have

> "an extraordinary tendency to produce, in no inconsiderable degree, the object here desired, of having constantly, within the provinces, a certain number of persons, attached by these means to the existing form of Government, & to the connection with the Mother Country."

The difficulty with reference to the absence of revenue — the difficulty that the assemblies were sometimes courageous or

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foolish enough to refuse supplies and even the Governors' salaries — might be met by doing as, in Pennsylvania, Penn did,

"who by reserving to himself, & to his heirs, a certain portion of Land, situated in the middle of every Grant made to individuals, secured a property, which could not but increase in value, in proportion to the increase of the Colony itself."

One seventh of all the lands, therefore, was to be reserved

"for the purpose of raising, by sale or otherwise, a fund to be hereafter applied towards the support of Government. These reservations should be made in such situations, and to be so intermixed with Lands to be granted to other persons, as may render the possession of them objects to such persons when the Lands originally granted to them shall have been cultivated." [4]

Rather ruefully, almost despairingly, the experts of the Colonial Office ended their Memorandum by saying that if their ideas

"can, in any sufficient degree, be carried into effect, it may perhaps be thought that they would afford a juster, & more effectual security against the growth of a republican or independent spirit, than any which could be derived from a Government more arbitrary in its form or principles. But even if the advantages which appear to result from these measures were visionary & chimerical & if it were agreed, that the danger of separation would be increased by giving to Canada a Constitution, assimilated, as is here proposed, to that of Great Britain, it may still be asked whether this plan is not become a point of almost inevitable necessity. The neighbourhood of the United States, & even of the remaining British Colonies seems to make it impossible that the people of Canada should acquiesce for any considerable length of time, in the continuance of a system at all resembling that under which they are now governed."

It was inevitable that the newly created Assemblies should develop the characteristics dreaded by the experts. Control of the purse gave to the Governor's opponents the same power that in England had almost extinguished the prerogatives of the Crown. And, for substantially the reasons which produced rebellion there in 1648, the Canadians rebelled in 1837.

II. THE SECOND PERIOD

The rebellion was little more than an *émeute*, but it produced the conviction that not only must the colonies have Assemblies, but that the Governors must subside and their precious prerogatives disappear. Would Great Britain make the necessary concessions? For a time that was doubtful. Happily, her adoption in

[4] Dundas to Dorchester, 16 Sept. 1791: *Can. Arch.*, Q. 52, p. 211.

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the 1840's of the principles of free trade and her consequent abandonment of the mercantile system terminated the financial reasons for the possession of colonies. British statesmen now became indifferent to the fate of Canada. *The Times* said to her:

> "From this day forth look after your own business: you are big enough, you are strong enough. . . . We are both now in a false position, and the time has arrived when we should be relieved of it. Take up your freedom; your days of apprenticeship are over."[5]

Tennyson, for the purpose of opposing public sentiment, embodied it in these words:

> "So loyal is too costly! Friends, your love
> Is but a burden; break the bonds and go!"

Disraeli referred to "these wretched colonies" as "a millstone round our necks."[6] Gladstone, in a speech at Chester, November 12, 1855, said that Canadian political demands were being conceded "not from terror but because, on seriously looking at the case, it was found that after all we had no possible interest in withholding them."[7] And on a later occasion, he suggested that if the Northern States of the American Union "thought fit to let the South go, it might in time be indemnified by the Union of Canada with the Northern States."[8]

III. THE THIRD PERIOD

As Canada became stronger, British affection for her budded and blossomed. Sir Charles Bruce, when dealing with "the three stages of the evolution of our colonial policy," said, "during the first our colonies were held to be politically and commercially necessary, during the next to be politically mischievous and commercially useless; now they have again come to be considered of the first importance both in politics and commerce. Every step in the expansion of England was guided by some motive of political or commercial necessity."[9] The series of great continental wars between 1864 and 1871 and other disturbing factors revolutionized Disraeli's attitude towards the colonies. Instead of being a "millstone," they might be of service. And so, in a notable speech in 1872, he said that while he agreed that self-government

[5] Spencer Walpole's *History of Twenty-five Years*, III, 87.
[6] Letter to Lord Malmsbury, 13 Aug. 1852.
[7] Quoted in *The Letters and Journals of Lord Elgin*, 32.
[8] Goldwin Smith, *My Memory of Gladstone*, 43–44.
[9] *The Broad Stone of Empire*, I, 92.

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ought to have been conceded to the colonies, it ought to have been accompanied by (among other things) "a military code which should have precisely defined the means and the responsibilities by which the Colonies should be defended, and by which, if necessary, this country should call for aid from the Colonies themselves."[10]

This new attitude found organized expression in the formation of The Imperial Federation League: Canada and the other more important colonies were to be accorded representation in the imperial parliament, and that body would regulate the military affairs, including the necessary taxation, of all the members of the federation. Afterwards the Colonial (now known as the Imperial) Conferences were instituted with a view to securing the voluntary military coöperation of the colonies. At the first of these (1887), the British Prime Minister, Lord Salisbury, said: "I will . . . point your attention to the Kriegsverein, which I believe is the real and most important business upon which you will be engaged, that is to say, the union for purposes of mutual defense." And at every subsequent Conference, the British representatives have endeavored, with much success, to place the Dominions under moral obligation to participate in future British wars. Canada has made no actual promises in that respect. But her Prime Ministers have placed themselves in a position more nearly approaching pledge than that in which Sir Edward Grey found himself on August 3, 1914.

Meanwhile, Canada's political relationship with the United Kingdom had been passing rapidly out of the colonial stage. At the Imperial Conference of 1926 it was unanimously declared that Great Britain and the Dominions

> "are autonomous Communities within the British Empire, equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs, though united by a common allegiance to the Crown, and freely associated as members of the British Commonwealth of Nations."

What that means, exactly, nobody knows. For the Dominions cannot, at the same moment of their history, be "within the British Empire" — that is, in a position of subordination to the United Kingdom — and also outside the British Empire — that is, "in no way subordinate" to the United Kingdom. But for the confusing words "the British Empire" and "the British

[10] *The Broad Stone of Empire*, I, 167.

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Commonwealth of Nations," the declaration would be an unmistakable assertion that the relation between the United Kingdom and the Dominions was that known to international law as a Personal Union — that is, that the only relation between them was acknowledgment of the same King. That sort of union would not be a novelty in English history. Indeed, until the ascension of Queen Victoria, the English sovereigns had normally been sovereigns of some other country. With Victoria, the Personal Union with Hanover came to an end, owing to the existence of the Salic law in Hanover. But while it had lasted, the political independence of the two countries was so complete that for a time the King of Hanover was at war with Russia, while the same man as King of Great Britain was at peace.

IV. INDEPENDENCE

Prior to the recent war, the present writer regarded a Personal Union of Canada with the United Kingdom as all that Canada could desire. Having in mind the Great Britain and Hanover union, he imagined that a similar relationship might be established between the United Kingdom and Canada: the United Kingdom might continue its immersion in European complications, while Canadian policy would be guided by Canadian interest. The outbreak of the war dispelled that idea. The difference between the two cases became obvious. Behind the Great Britain and Hanover union there was no unified history, no sympathy, no common tradition and achievement, and the two peoples spoke different languages. One nation might be at war without materially disturbing the feelings of the other. Between the United Kingdom and Canada, on the other hand, there was the relation (metaphorically) of mother and daughter, and there were the ties of sentiment, language, and tradition. In the case of Great Britain and Hanover, Personal Union was the creation of an exiguous association of two alien peoples. In the case of the United Kingdom and Canada, Personal Union would be only a misunderstood modification of a previous life-blood association. Consummation of it would not efface traditionary mental attitude. The United Kingdom could not be at war and Canada be indifferent.

All this became startlingly clear in 1914. During the afternoon of August 3 Sir Edward Grey delivered his notable speech in the Commons indicating the possibility of war with Germany. At the moment a majority of the ministers were opposed to hos-

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tilities, and it was not until the morning of the next day that, because of the invasion of Belgium, the majority turned the other way. Two days prior to Grey's speech, and three days prior to the German invasion, the Canadian Governor cabled to London as follows:

"My Government, in view of the impending danger of war involving the Empire, are anxiously considering the most effective means of rendering every possible aid. They will welcome any suggestions and advice which the Imperial naval and military authorities may deem it expedient to offer. They are confident that a considerable force would be available for service abroad."

"Theirs not to reason why." And Canadians, pretty unanimously, applauded the action of their government.

These considerations convinced the present writer that nothing short of complete separation would enable Canada to take an independent attitude with reference to wars in which the United Kingdom might in future be engaged. While it is true that, were a Personal Union consummated, Canada would not become a belligerent merely because the United Kingdom was engaged in war, the general public would not appreciate that fact. They would be inclined to reject the assertion that the Sovereign could be at war in one capacity and at peace in another. They would remain in the belief that duty and loyalty demanded participation in wars in which their King was engaged. They would not consider that they were free from all obligation. Lawyers might so declare, but an unwillingness to accept the technical truth would leave the people practically in the state of legal subordination from which they had passed by termination of the imperial relationship.

Canada is not yet ready for a declaration of independence. But her approach towards it has recently been very rapid. For his advocacy, prior to the war, of a Personal Union with the United Kingdom, the present writer was accustomed to receive such comfortable encouragements as, "I wish you would choke." Now, "equality of status" is almost unanimously accepted and acclaimed. It was the chief note in scores of speeches in the recent Jubilee jubilations. But people do not understand that "equality of status" means, for Canada, sovereignty. That they will learn; and the process of development will continue.

V. CANADA AND THE UNITED STATES

The immigration of the American "Tories" into Canada during the War of Independence still affects the attitude of Canada

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towards the United States. As Woodrow Wilson said in his "History of the American People:"

> "Not a little poise, not a little of the sentiment of law, not a little of the solidity of tradition and the steadiness of established ways of thought and action, not a little of the conservative strength of the young communities had gone out of the country with the loyalists — not a little of the training, the pride of reputation, the compulsion of class spirit, the loyalty and honor of a class accustomed to rule and to furnish rulers."

That happened, indeed, one hundred and forty years ago, and the "United Empire Loyalists," as they called themselves, are long since dead. But the antipathies of them passed to their descendants, and have been kept alive by later happenings — the war of 1812–14; American action during the Canadian rebellion in 1837–8; the *Trent* Affair; the Fenian raids; the Atlantic fishery difficulties; the Behring Sea seizures; the various boundary disputes; the American delay in entering upon the recent war, etc. In none of these could Canadian imperialists detect anything but American anti-British spleen, arrogance, duplicity, and selfishness. Intercourse has moderated the antagonism, but the defeat of Sir Wilfrid Laurier and his reciprocity agreement at the elections of 1911 made clear that it still was a potent factor in the Canadian attitude.

VI. THE FUTURE

The future depends upon circumstances. In the opinion of the present writer (differing, no doubt, from the opinion of many others), the Canadian attitude is developing along the following lines:

1. Antipathy towards Americans has decreased, and is now tending to disappear. The removal of various subjects of dispute; rapidly developing trade exchanges (last year well over a billion dollars); American capital in Canadian industry (nearly a billion and a quarter dollars); development of international associations (labor societies, social service societies, sport societies, etc.); daily inundations of American literature; establishment of cordially commenced diplomatic relations; and lastly, realization of a common outlook with reference to Pacific Ocean affairs — all these influences are making impossible the perpetuation of a Canadian feeling of antagonism to the United States.

2. Very few Canadians desire, or contemplate within forecastable time, the possibility of political union with the United States.

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3. There is an increasing disinclination to participate actively in British wars merely because they are British. Many years ago Canadian Prime Ministers disavowed the existence of a duty in that respect, and Canada's recent refusal to accept obligations with reference to future wars between France and Germany, which the United Kingdom had agreed to in the Locarno treaty, made the existence of that disinclination indisputable. On the other hand, as already indicated, recent Prime Ministers have not been careful to avoid the appearance of obligation to render assistance in time of war, contenting themselves (but not everybody else) by declaring that Parliament will always be untrammelled by anything they may have done.

4. There is a general desire in Canada for the complete termination of colonialism. That part of the declaration of the last Imperial Conference which declared for equality of status between the United Kingdom and the Dominions was accepted by the leading men of both political parties; and the qualifications in the declaration were, to a large extent, disregarded. People do not quite understand the situation, but they like the British renunciation of subordination of the Dominions "in any aspect of their domestic or external affairs."

5. To the present writer, the declaration of equality of status is equivalent to a declaration of Canadian sovereignty; for the United Kingdom is a sovereign state, and the status of the Dominion is said to be equal to that of the United Kingdom. But many people would shrink from that conclusion.

6. The few incidents attaching to Canada's political status which prevent her assumption of all the attributes of sovereignty will soon disappear. The Imperial Conference made provision for a study of the method of their disappearance.

7. If Canada, as a sovereign state, continues to acknowledge as her sovereign the individual who occupies the British throne, the relationship will be that known to international law as a Personal Union. The old imperial relationship will have come to an end.

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EXPLOITATION AND WORLD PROGRESS

By C. K. Leith

THE quest of iron and copper and flint for use as weapons, and of gold and silver and precious stones for adornment, runs far back into history and is associated with many stirring events of exploration and war. But they were used on a relatively small scale and served only as a minor factor in the environmental conditions controlling human activities. With the advent of the industrial revolution of England, a century ago, began the real exploitation of earth materials in a way to influence essentially our material civilization. In this short time, at an ever accelerating rate, minerals have become the fundamental basis of industrialism, to be ranked with soil, climate, and other major influences on our activities. In these hundred years the output of pig iron has increased 100-fold, of mineral fuels 75-fold, and of copper 63-fold. In the last fifty years the per capita consumption of minerals in the United States has multiplied fifteen times. By harnessing up the power from coal, gas, and water we have multiplied our capacity for work. The acceleration of the rate of mineral exploitation may be realized from the fact that the world has exploited more of its resources in the last twenty years than in all preceding history.

In appraising the effect of this new element in human environment we have no historical precedent to guide us, for the change is too recent, too all-pervasive, for us to understand all its significance. Yet a few clear tendencies are beginning to be discernible.

The rising use of mineral resources has naturally led to an intensive search of the earth for adequate supplies, which is just beginning to give us some realization of their ultimate geographic distribution. Changes will still be made by discovery, usually in expected fields, but the main outlines are now pretty well fixed. The curve of geographic discovery is falling. The great discoveries of the future will in the main relate to better methods of recovery and use. As the insatiable appetite for minerals has risen, many sources of supply which formerly were adequate are beginning to look relatively small. As the demand multiplies, the sources known to be capable of meeting it become proportionally fewer. In short, it is being realized that nature has concentrated the really big sources of supply, adequate to meet present and future

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world demand, in a very few places on the globe, a fact which will play an increasingly important part in the future history of the world.

Thus, about thirty of the principal mineral districts account for three-fourths of the world's mineral production. Three-fourths of the world's iron comes from only half a dozen districts in the United States, England, France, Sweden, and Spain. Two-thirds of the world's coal comes from the eastern United States, England, and western Germany. Two-thirds of the world's copper comes from a half dozen districts in the western United States and Chile. The Union of South Africa produces over half the world's gold. And so on. A review of the entire list of commercial minerals would be merely a monotonous repetition of geographic facts of the same general import.

An obvious consequence of this inequality in the geographic distribution of minerals — of such practical bearing on world affairs, in peace and war, — is the interdependence of nations and their community of interest in regard to mineral supplies. There are not enough of the great primary sources to go around. Even the favored nations — among them the United States — lack a considerable number of them in sufficient quantity to meet modern demands, and many nations are conspicuously deficient. There is a high degree of specialization in production which, in the case of some nations and for some minerals, amounts practically to monopoly. A balanced ration of raw materials necessary for modern industry simply cannot be made up within the boundaries of any one nation. Immense international movements are therefore necessary. Reflecting this situation, the great commercial and industrial companies are becoming international in their scope, and to an increasing extent find it necessary to disregard national boundaries in securing supplies.

These are simple and more or less obvious facts of commercial geography. What is less generally understood is that this situation is essentially new in history. Only a few decades ago a state's dependence on mineral resources was much less marked. Nations could be more or less self-sufficing on the basis of smaller mineral supplies and of agricultural or other resources. A really new element in our environment now requires that nations work together if they are to advance along material and industrial lines. The pressure is inexorable and growing. It is a situation which cannot be changed by public will or for political motives. Neither will it

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be essentially changed by the substitution of chemical synthetics, nor by improvements in methods of mineral recovery, as now proclaimed by certain chemists. One must be hopeful indeed if he expects to synthesize substitutes on the stupendous scale of nature's laboratories, which have been on the job since the beginning of the earth's history. No, the nations actually stand today, and will continue to stand, in reciprocal and complementary relationships one to another in regard to mineral raw materials.

This is true not only as regards normal industrial development, but also as regards the requirements for a great war. War on the scale of the last one cannot be fought on the basis of the raw materials within any one national boundary. The United States is better supplied than any other nation, but for the prosecution of a great war it is necessary even for our nation to reach to the far quarters of the globe for many essential raw materials which cannot be either substituted for or stored in advance in sufficient quantities to last. Staff preparation for war now includes a study of how to control these far distant sources. The difficulties of this are so great that where they are realized they cannot fail to be real deterrents to hasty war. It is reassuring to know that there is now lively appreciation of these facts by our own and other war departments.

It is easy to infer that anything which tends to bind nations together materially is conducive to world peace. But it does not always follow that community of material interest eliminates friction, whether the family be that of nations or individuals. As a matter of fact, political reactions are on the whole away from any unification of international interest in minerals. One cause seems to be common inertia and opposition to anything new. Another is that it is no longer possible for nations to expand the areas of their political control to keep up with the expansion of commercial units, as was possible during much of the nineteenth century, when leading commercial nations, particularly of Europe, were rapidly opening up backward parts of the world, thereby giving outlet for commercial expansion. In Europe itself since the war political units have on the whole actually become more numerous and smaller, in the face of the marked tendency of commercial units to become larger and to expand their spheres of influence across international boundaries. Still another and powerful cause is the post-war flare of intensive nationalism, of

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"self determination," coupled with a fresh realization of the vital part played by minerals in national economy, as a result of which there has been a world-wide wave of nationalization of resources, represented by measures ranging all the way from outright acquisition of minerals by nations to many measures of more indirect control, such as control of operations, prices, distributions, markets, tariffs, licenses, etc. The same tendency is manifest also in many kinds of prohibition against any foreign exploitation of minerals, covered by the general term "the closed door," and other attempts of nations to acquire or to protect resources by various political and military measures. There are powerful and usually justifiable reasons for these tendencies, — the desire to protect the future of the nations, to reap the benefits of any resources possessed, to prevent foreign exploitation hurtful to the nation, to avoid foreign political and military influence which often follows commercial investment, to aid "conservation" in a national sense, and for military protection.

We are therefore witnessing the conflict of two powerful opposing forces — on the one hand, world demand for raw materials, which knows no national boundaries and which is forcing coöperation in order that demand may be efficiently satisfied; on the other, the nationalistic forces directed toward partitioning resources for national gain or security. Many recent international episodes are an expression of this problem, and more are in store.

In our search for a solution of this problem a natural first thought is that one or other of the great opposing forces might be minimized or eliminated, but a little reflection will, I think, show the impracticability of accomplishing much along these lines. Nationalism is deeply rooted in history and ethnology; it is usually based on sound instincts of self-preservation; it involves many factors other than supplies of natural resources. There would have to be a radical change indeed in the national psychology to allow even the smallest alienation of political control of essential resources in favor of supernational or international control. Even if this difficulty were surmounted, it is doubtful if brains have yet developed capable of planning such administration in a way to provide for all contingencies.

It seems equally difficult to lessen the insistence of the demand for raw materials. "Industrial civilization" and "the machine age," are often disparaged, and disadvantageous comparisons are made with the intellectual or artistic accomplishments of

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earlier times, but no practicable method of changing its tendencies is suggested. The very people who take the view that commercial development should be curbed are not consistent when at the same time they buy household equipment made of materials from the other side of the globe. When one rides in an automobile, for instance, a demand is created for supplies coming from a dozen countries and by no possibility obtainable from one. Wholesale and world-wide self-denial in the use of common implements of human comfort is not likely to come about until the average material comfort of the world is on a much higher plane than at present. Rather is it more likely that the desire for them will harden into a belief in their urgent necessity. Even if it were possible, there remains the question whether there would be any ethical, moral, intellectual, or artistic gain in so curbing industrial demands. This is a topic of endless academic discussion, but academic it will doubtless remain.

It may be assumed, therefore, that, right or wrong, the demand for resources will continue to grow, which means also that the fundamental conflict with nationalism will remain. About the best that can be hoped for is a working alliance of political and economic states, involving mutual compromise, and yet preserving the really essential rights of each. There is being gradually worked out, through many commercial and political agreements, a certain adjustment in the international flow of mineral products which is effecting a workable compromise between world demand on the one hand and nationalistic policies on the other. There are also international agreements of one kind or another, now under discussion, which promise to minimize world friction. But one must be hopeful indeed to expect anything more than a slow amelioration of some of the grosser difficulties in the problem. The essential conflict will remain and its course will continue to be marked by flashes of international animosity. This need not lead to pessimism and inaction. There is a wonderful opportunity for practical accomplishments in this field. One, which seems to offer as much chance for discouraging war as any yet suggested, is a better understanding of foreign exploitation.

The primary meaning of the word "exploit" is to develop, or get the value out of, but there has come to be attached to it the idea of unfairness, selfishness, and force which is now reflected in supplementary definitions in dictionaries. In the public mind the objectionable connotations so over-shadow the primary

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meaning that the term has come to stand for one of the most objectionable of human activities. I use the term here mainly in its primary sense, but not exclusively so. If a less provocative term like "develop" were substituted, it would probably not be understood by most people as covering essentially the same activity which has come historically to be known as exploitation. A term is needed which will identify the facts, whether they be regarded as good or bad. Even the best of *development* is seldom completely free from selfishness and unfairness; the worst of *exploitation* is seldom without some underlying justification in world needs.

Much the larger part of the world's mineral production has come from North Atlantic countries, and has served to build up the industrial and commercial supremacy of this part of the world. The concentration of heavy industries about the North Atlantic is based primarily on the possession of immense coal and iron deposits, together with adequate quantities of copper, lead, zinc, oil, gas and other essential minerals. The main industrial power belt of the world crosses the United States, Great Britain, Germany, Belgium, and Northern France, with minor extensions eastward to other parts of Europe. From this belt originates the commercial, and in some cases the political, control of a preponderant part of the mineral production of the rest of the world. The United States originates and controls about 40 percent of the world's mineral production, and the United States and Great Britain together control at least 75 percent.

By reason of their exploitation of power resources, — coal, oil, gas and water — the North Atlantic countries, counting both man power and mineral power, are doing annually five times the mechanical work of the combined total of Russia, China and India, the three most populous countries of the world, though the population of the North Atlantic countries is only a third as great. With a fifth of the world's population, this group of countries is doing about two-thirds of the world's work. The United States alone is doing about 40 percent of the world's work, and its next nearest competitor, Great Britain, about a quarter as much as the United States.

This perspective reflects more or less the distribution of national wealth and the prevailing standards of living, as might be expected from the fact that wealth is essentially a product of work. With certain qualifications, assuming equality of pre-

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paredness, skill, and courage, these figures probably also measure the relative ultimate power for sustaining war.

One frequently hears, particularly in connection with international debt discussions, that the present great wealth of the United States is due largely to the fortunes of war, that the United States came out of the Great War suddenly enriched. The student of natural resources sees that what really has happened has been the partial emergence into world consciousness of the cumulative results of the rapidly growing volume of work by our country, based on use of resources, a tendency started long before the war, temporarily accelerated but later retarded by the war, easily and certainly predictable from pre-war curves, but only now reaching such towering proportions that it can no longer be ignored. The back of the monster can now be seen above the horizon, but its form and characteristics are not yet fully apparent. There are still many people who fail to understand that the mid-Victorian material standards of international comparison are gone, and gone for good. The phrase "back to normal," implying as it does static conditions, becomes meaningless when applied to the present dynamic situation. There is no such thing as going back and reconstructing old conditions, much as we individually may have liked them.

In the past the leadership of the North Atlantic countries in mineral and power production has been regarded as a mere reflection of the initiative and energy of the North Atlantic races, and it has been more or less taken for granted that in time the development of other parts of the world would equalize the mineral situation; that, broadly speaking, one part of the earth would yield to human effort about as well as another. This belief was a natural one under commercial conditions existing in the past, when the requirement for minerals was on a much smaller scale. There were many parts of the world capable of yielding the supplies then needed. But the vastly increasing requirements of modern industrial civilization have brought a new perspective into the situation — new even to the special students in mineral resources. We see more and more clearly that the preponderant position of the North Atlantic countries is not a mere passing episode, but is based on a real concentration of mineral resources, of a quantity, distribution, grade, and availability which can hardly be duplicated elsewhere, and which assure primacy in heavy industry for hundreds of years to come.

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It is to be emphasized that the building of the great industrial civilizations has not been based on any single mineral but on unusually fortunate associations of minerals, in very large amounts, particularly the combination of coal and iron necessary for the iron and steel industry. China has large undeveloped resources of coal, but it is very deficient in iron ore. The Philippines and the Dutch East Indies have considerable low grade iron ore, but no suitable coal. India has iron ore, but insufficient coking coal for a really great industry. Japan has neither coal nor iron in notable amounts; its control of the Manchurian coal is a great asset, but the necessary supply of iron ore has not yet been secured. Australia and South Africa have insufficient quantities of both coal and iron of proper grade and geographic association for the first rank of world industry, even though locally, as in eastern Australia, satisfactory local units of the iron and steel industry are developing. The countries bordering the Mediterranean Sea are conspicuously deficient in both coal and iron. Their resources were adequate for an earlier civilization but not for the kind which has now developed around the North Atlantic. Southern Russia has moderate quantities of both coal and iron, which will in time be reflected by considerable industrial development, but not on a scale comparable with that of the Ruhr, England, or the United States.

While 80 percent of the world's oil now comes from countries bordering the western North Atlantic, there are other centers of production in southeastern Europe, southwestern Asia, the Dutch East Indies, as well as potential fields in South America, Sakhalin Island, and in Africa, but these outlying sources are not likely to change the major geographic distribution of heavy industries, for several reasons. Oil cannot be substituted for coal for smelting except at increased cost; it is too valuable for other purposes. Even if it could, its volume is much too small to be used as a large scale substitute for coal. In recent periods of flush production in the United States, which has been by far the greatest oil producing country, oil has furnished only 28 percent of the total energy units, as compared with 72 percent for coal; and in the future, considering relative reserves, there is likely to be even a smaller ratio of the use of oil to the use of coal. There is little likelihood that any other region will produce oil in the huge amounts necessary to make up for the absence of coal. Moreover, because it is easy to transport, it is likely to flow to-

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ward industrial centers already established rather than to serve as a basis for local industries, except on a small scale.

As for other minerals — the copper of South America and central Africa, the gold of South Africa, the lead and silver of Burma, the iron ores of South America, the antimony of China, the tin of the Straits, and so on — in no case do they exist in a regional association with coal, iron and other essential minerals so as to furnish the basis of great industry. All of them are important to local industry, but there is no indication that any of them foretell the building of industries which will rival those of North Atlantic countries.

The recent rapid development of waterpower has led to a popular belief that this may cause a redistribution of heavy industry. As a matter of fact, when compared with coal, waterpower is even less important than oil. In the United States it furnishes only 5 percent of the total energy, and a survey of potential waterpowers of this and other countries shows that when fully developed they can supply but a very small part of the energy necessary for the creation of heavy industry on a modern scale.

In summary, then, the mounting world demand for minerals has brought more and more centralization of industrial power in the North Altantic countries. The outlying units of production have grown, but the large central units have grown faster. Nowhere on the horizon today is there any clear indication of decentralization in the mineral field, and consequently in industrial power. The mineral industries of the world will remain tributary to the North Atlantic countries for a long time to come. It does not follow that the rest of the world may not be prosperous, but its activities must take other lines, and as yet there is nothing in sight that promises to approximate the power that is based on the possession of mineral resources.

This is a lengthy preamble to a simple and bald conclusion, namely that the North Atlantic countries will continue to be the great exploiters of mineral wealth, as in the past. In these countries originate the necessary wealth, skill, and driving power. In these countries originates the main outward thrust, commercial and political, against the remainder of the world. From the standpoint of mineral resources, no such thing as equality of nations exists. Economic self-determination in the field of natural resources is and will be possible only to the North Atlantic nations.

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In attempting to appraise the problem objectively the first step is to rid ourselves of the notion that our own nation is not exploiting, or that if it is exploiting it can stop. A large part of our American public seems to hold one or the other of these opinions, which is not surprising in view of some of the recent statements of our Government in relation to Mexico and Nicaragua. There is no use blinking the fact that we are now the world's chief mineral exploiters, and will continue so by virtue of the direction given to our activities by our environment.

The history of exploitation shows that our own and other governments have almost never frankly disclosed the exploitation being done by their nationals. They are keen to "protect legitimate interests" of their nationals, but deplore or ignore "exploitation." On the other hand, critics of suspected imperialistic tendencies (like Senator Borah), are likely to condemn all exploitation as pernicious, without recognition of its essential nature.

Our thesis, if you please, is acceptance of the principle that might makes right, but only to the extent and in the sense that nature's environment creates might. Human volition plays little part, and it seems futile to argue this as a moral or ethical question. This concentration of power, with its consequences, is no more right or wrong than was nature's original distribution of resources. One of the keenest philosophic writers on foreign affairs, Captain Mahan,[1] has perhaps done as well as anybody in claiming this course as a natural right:

> "The claim of an indigenous population to retain indefinitely control of territory depends not upon a natural right, but upon political fitness . . . shown in the political work of governing, administering and developing, in such manner as to insure the natural right of the world at large that resources should not be left idle but be utilized for the general good. Failure to do this justifies in principle, compulsion from outside; the position to be demonstrated, in the particular instance, is that the necessary time and the fitting opportunity have arrived."

Without exploitation our land would still be in the hands of the aborigines. Has the world benefited as a whole by the change? We hope it is for the good of the greatest number, and can make out a good case for this point of view, when all the elements of exploitation are taken into account; but we cannot prove it.

Having recognized that the international exploitation of minerals exists today, as in the past, and is inevitable for the

[1] Mahan, A. T., "Problem of Asia," p. 98: Little, Brown & Co., 1900.

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future, the next step is to direct our attention to the *manner* of exploitation, to see that it is done intelligently, in the open, with due regard to the rights of people who must feel its brunt. In exploitation, as in most other fields of human activity, there are good ways and bad ways, fair and unfair ways, which are pretty well recognized by the people professionally in touch with it. In almost no other field of international relations is there such an opportunity today for nations to get together around the conference table, to standardize methods of exploitation and correct its abuses; in short, to bring the many exceptions and local causes of difficulty into conformity with well tried, fair, and effective measures developed by the long experience of many countries. If England and the United States alone could get together on this question, controlling as they do such a large and well assorted proportion of the world's mineral wealth, nearly three-quarters of the total, they could pretty well fix the procedure.

It evidently is the rôle of higher statecraft to make it clear that the demand for the open door is justified on a broader basis of world welfare. The closed door slows up mineral development and dams up commercial and political pressure from many sources, often to a dangerous point. Many backward countries have neither the capital nor the trained organizations for this work. Where the initiative lies with governments, there is often a conspicuous lack of imagination and venturesome spirit, so necessary for mineral exploration. Even where the factors of competence are apparently present back of the closed door, this policy in practice narrows participation and variety of attack to a notable degree. Unless the world turns backward from its present material habits of living, closed doors will increasingly become sources of international friction. Commercial and political pressure is likely to open the door, sometimes by force, sometimes by intrigue, by bribery, or by private bargaining, as shown in many striking recent episodes in Morocco, Mosul, Mexico, and elsewhere. In the interest of international good will, it ought to be possible for nations to agree on basic principles of procedure which in effect compromise legitimate national aspirations with insistent world pressure. Many recent specific bargains between nations and commercial companies seem to point the way to a better formulation of international agreements touching this important subject.

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If this is too much to hope for in view of other elements in the political situation, the United States still has responsibility, as the world leader in mineral exploitation, to revise its own methods, to show that exploitation can be done with a decent regard to the rights of others, and to take advantage of its strength to help other nations placed by nature in a defensive position. In the long run it should accrue to our national self-interest even from a commercial standpoint. How far we are from taking that attitude is made evident by the mere mention of the belligerent way in which our so-called rights in the field of exploitation are sometimes "defended," the marvellous ways these rights are defined and construed, the way they are sometimes hidden under the skirts of the Monroe Doctrine, and the failure to acquaint the public with the real underlying needs and facts of exploitation. We need Mexico's minerals, and will get them. We believe that the exploitation of these minerals will in the long run accrue to the advantage of both countries. But cannot this be done without taking ruthless advantage of our weaker neighbors, often in a spirit of anger, and with an attitude of righteous self-complacency which ignores the abuses of our action or even denies its very existence? The international political methods now in vogue, which usually deal with this problem only in a spirit of narrow nationalism, afford little promise of early relief. Yet both as a scientist and an optimist I cannot but conclude that *ultimately* political arrangements must conform with the new environment.

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RASPUTIN AND THE EMPRESS: AUTHORS OF THE RUSSIAN COLLAPSE

By Sir Bernard Pares

THE REIGN OF RASPUTIN: AN EMPIRE'S COLLAPSE. By M. V. Rodzianko. London: Philpot, 1927.
THE LETTERS OF THE TSARITSA TO THE TSAR, 1912–1916. New York: McBride, 1923.
LA RUSSIE DES TSARS. By Maurice Paléologue. 3 vols. Paris: Plon-Nourrit, 1921.
THIRTEEN YEARS AT THE RUSSIAN COURT. By Pierre Gilliard. London: Hutchinson, 1921.

THE publication of the letters of the Tsaritsa to her husband for the first time showed in black and white Rasputin's enormous political significance. But those who took the trouble to wade through that mass of loose English were probably too overcome by the sweep of the vast tragedy to realize at first the unique importance of the letters as historical material. It is to this aspect of the subject that this article is devoted.

The Rasputin tragedy passed at the time behind closed doors, except for Rasputin's own entire indifference to public scandal. By now almost every one of the persons who could give valuable first-hand evidence on the subject has said his word. M. Gilliard, tutor to the Tsarevich, a man of great good sense and good feeling, has given a beautiful picture of the home life of the Imperial family, the accuracy of which has been confirmed both by the Provisional and the Soviet Governments. We have for what it is worth the Apologia of Madame Vyrubov, the only person who was with the family continually, and Rasputin's chosen go-between for his communications with the Empress. A slighter record is given by another friend of the Empress, Madame Lili Dehn. The Head of the Police Department, Beletsky, has told a typical story of ministerial intrigue centred round Rasputin. The French Ambassador, M. Paléologue, has issued a current record of events, evidently touched up for publication, which gives the atmosphere of grand ducal and higher society, but also connects Rasputin at point after point with political events of the most critical importance. Now we have also the important record of the President of the Third and Fourth Dumas, Mr. Michael Rodzianko, prepared in exile without many materials but preserving

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the details of his various conversations with the Emperor, which were evidently written down with care at the time.

Rasputin, who was under fifty at the time of his death, was born in the village of Pokrovskoe on the Tura, near Tobolsk in Siberia. Like many peasants he had no surname; Rasputin, which means "dissolute," was a nickname early given him by his fellow peasants. He suddenly went off to the Verkhne-Turski Monastery near his home, where were several members of the *Khlysty*, a sect who mingled sexual orgies with religious raptures and who were emphatically condemned by the Orthodox Church. On his return he became a *strannik*, or roving man of God, not a monk, not in orders, but one with a self-given commission from heaven, such as have often appeared in Russian history, especially at critical times. Meanwhile, he lived so scandalous a life that his village priest investigated it with care. That he habitually did much the same things as the *Khlysty* is conclusively proved; but that he was actually one of the sect has not been definitely established. Certainly to the end of his life he alternated freely between sinning and repenting, and professed the view that great sins made possible great repentances. He seduced a large number of women, several of whom boasted of the fact, or repented and confessed it to others. The village priest reported him to Bishop Antony of Tobolsk, who made a more thorough enquiry and found evidence which he felt bound to hand over to the civil authorities. During the enquiry Rasputin disappeared. He went to St. Petersburg, and as a great penitent secured the confidence of Bishop Theophan, head of the Petersburg Religious Academy, and Confessor to the Empress, a man whose personal sanctity has been recognized by everyone. He secured also the patronage of the Grand Duchess Militsa, daughter of King Nicholas of Montenegro, a lady with a strong taste for the sensational, and also that of her future brother-in-law, the Grand Duke Nicholas. It was these who introduced him to the Palace.

The Empress Alexandra, formerly Princess Alix of Hesse Darmstadt, was a daughter of the English Princess Alice and a favorite granddaughter of Queen Victoria, from whom she may be said to have taken all the ordinary part of her mental environment. The unusual feature in her character was her strong mysticism. Her family was scourged with the haemiphilic ailment; all the male children of her sister Princess Irene of Prussia suffered from it. It does not appear in females, but is transmitted by them

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to males. Its effect is that the slightest accident may set up internal bleeding, which there is no known way of arresting. Children suffering from it may die at any moment, and on almost any occasion, though if they live to the age of 13 they may in some measure overcome it; Rasputin prophesied such an issue for the Tsarevich Alexis. Much of the tragedy in the position of the Empress lay in the fact that after she had given birth to four charming and healthy daughters, her only son, the long desired heir to the throne, suffered from this scourge, and that she well knew that his disease came through herself.

In every other domestic respect the family was ideally happy. Husband and wife literally adored each other; the children were equally united with them and with each other. The Empress was the pillar of the house, their actual nurse and attendant in time of sickness. She brought them up entirely in English ideas; they had cold baths and slept on camp beds; they talked largely in English. The family as a whole, in its clean-minded life, represented a veritable oasis in the corruption which was so prevalent in higher Russian society, and we may imagine that with that world this aspect of their isolation was one of their chief offenses. They lived almost as much apart from it as if they were settlers in Canada.

The Empress's nature was singularly narrow and obstinate; Rodzianko rightly describes her as "essentially a creature of will." She had a fondness for her first "little home" at Hesse Darmstadt, but a strong antipathy for the Emperor William; indeed the Prussian monarchy found many of its bitterest critics among the smaller reigning German families. She regarded herself as essentially English, but she had frankly embraced the country of her adored husband, and more than that, she had embraced the Russian autocracy. She repeatedly speaks of herself as "anointed by God," and once as "Russia's mother." There is on record a conversation between her and Queen Victoria in which she put very strongly this difference between the English monarchy and the Russian. For her, Russia was the Russian people, above all the peasantry. Society she identified with the general corruption which she saw around her. She was always, we may be sure, entirely against the Duma and against the concession of a Russian constitution. Any such suggestion she regarded as a direct wrong to her son, and denounced in the strongest language.

When she married, three of her husband's last five ancestors had perished by assassination. Her first appearance before the

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Russian public was in the funeral procession of her father-in-law, and the reign from start to finish was soaked in an atmosphere of fatality. She had an antipathy to all Court ceremonies. The slightest accident filled her with apprehension. In the period when her most ardent desire was to give an heir to the throne, she met in France a charlatan soul doctor, Philippe, who was brought to Russia but expelled, despite her protection, for meddling in politics during the Japanese War. Philippe gave her a bell as a token that she was to scare away all other counsellors from her husband. She refers to this several times in her letters. Bishop Theophan, when he introduced Rasputin to the Court, appears only to have thought that he was substituting a Russian influence for a foreign.

Rasputin at first kept quiet and studied his ground. He saw the Imperial family infrequently, and his presence was sought only to comfort the nerves of the Empress and her husband, and to re-assure them as to the health of their son. M. Gilliard, who was nearly all day with his charge, saw him but once. The meetings ordinarily took place at the little house of Madame Vyrubov outside the Palace. Soon, however, Rasputin went on openly with his earlier scandalous life. Towards the end of 1911 sensational happenings attracted public attention to him. Among his former supporters had been the robust Bishop of Saratov, Hermogen, a very strong monarchist, and the Monk Heliodor, a notable and popular preacher, also very conservative. An attempt was made to push through the Synod an authorization to ordain Rasputin a priest. This was defeated in view of his well-known dissoluteness. Hermogen was one of its most vigorous opponents. Direct interference from the Court obtained at least a partial reversion of the decision of the Synod. Hermogen again was most vigorous in his protests. He and Heliodor, acting together, arranged a meeting with Rasputin which resulted in threats on both sides; Rasputin threw himself on the Bishop as if to strangle him, and when pulled off departed threatening vengeance. Hermogen was then banished to his diocese by order of the Emperor and, as he still refused to submit, both he and Heliodor were ultimately relegated to monasteries. The Emperor had acted illegally in imposing such a sentence on a bishop without trial by a church court.

This was not the end. Shortly afterwards one Novoselov, a specialist on Russian sects who lectured at the Religious Academy

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near Moscow, issued a pamphlet giving full details of Rasputin's seductions, which seemed to be numberless. The book was immediately suppressed, but was widely quoted by Russian newspapers beginning with "The Voice of Moscow," the organ of Guchkov. He was leader of the Duma, and for a short time its President, and he had at first hoped to play the part of tribune of the people at the palace and to carry the Emperor with him for reform. But he had been severely rebuffed, and chose this ground for attack. The papers were now forbidden to speak of Rasputin. At this time the preliminary censorship no longer existed, and such orders by the government were therefore illegal. Fines could be imposed after publication, but fines in this case the newspapers were ready to pay. Guchkov led a debate in the Duma on this infraction of the law. Rodzianko, who tried to limit and moderate the debate as much as possible, obtained an audience from the Emperor, and speaking with absolute plainness laid a number of data before him. "I entreat you," he ended, "in the name of all that is holy for you, for Russia, for the happiness of your successor, drive off from you this filthy adventurer, disperse the growing apprehensions of people loyal to the throne." "He is not here now," said the Emperor. Rodzianko took him up, "Let me tell everyone that he will not return." "No," said Nicholas, "I cannot promise you that, but I fully believe all you say. I feel your report was sincere, and I trust the Duma because I trust you." Next day he authorized Rodzianko to make a full investigation, and the plentiful material in the possession of the Synod was handed over to him. The Empress tried to get these papers back, but Rodzianko gave a stout refusal to her messenger, saying that she was as much the subject of the Emperor as himself. When he was ready with his conclusions he asked for another audience, but Nicholas put him off. He threatened to resign, and was invited to send in a report. Later he heard that it had been studied by Nicholas and the Grand Duke of Hesse, brother of the Empress, while they were together at Livadia in Crimea. The Grand Duke, as is known, in no way supported the attitude of the Empress.

For the time Rasputin disappeared. In the summer of 1912, while the Imperial family was at a hunting box in Poland, the Tsarevich fell on the gunwale of a boat; the bruise set up internal bleeding and for some weeks his life was despaired of. All the family were distracted with grief. The best doctors declared them-

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selves impotent. The Empress then ordered a telegram to be sent to Rasputin, who replied: "This illness is not dangerous; don't let the doctors worry him." From the time of the reception of the telegram the boy rapidly recovered. There is no doubt as to these facts, which were testified to unanimously by various witnesses. Nor is there evidence of any kind for the supposition that the illness was artificially created.

Stolypin before his death in 1911 had reported in the strongest language against Rasputin. The attitude of his successor, Count Kokovtsev, was practically the same. The Empress when she met him turned her back on him, and he was curtly dismissed from the post of Premier in January, 1914. The aged Goremykin who succeeded him, and who possessed throughout the complete confidence of the Empress, summed up the question to Rodzianko in the words, "C'est une question clinique."

When war broke out, Rasputin was lying dangerously ill at Tobolsk, where one of his female victims had tried to assassinate him. He sent a telegram to Madame Vyrubov, "Let Papa (the Emperor) not plan war. It will be the end of Russia and of all of us. We shall be destroyed to the last man." The Emperor was very annoyed at this, and never was he more at one with his people than when he appeared on the balcony of the Winter Palace and the vast crowd kneeled in front of him. For the first period of the war the Empress devoted herself to hospital work, and spared herself no labor or unpleasantness in the care of the sick; on matters of administration she only ventured tentative and timid opinions.

The discovery of gross munition scandals in the early summer of 1915 roused a wave of national indignation, and seemed at first to bring Russia nearer to an effective constitution than ever before. It must be understood that the constitutional question was still unsettled. The Duma had come to stay, as even the Empress at this time admitted. In spite of a manipulated and limited franchise, it had more and more come to represent the nation. The limits on its competence, however, remained; it had once succeeded by moral pressure in removing a Minister (Timiriazev), but the Ministers were not responsible to it. As is clear from the Emperor's talks with Rodzianko, he certainly did not recognize his famous edict of October 30, 1905, which gave full legislative powers to the Duma, as the grant of a Constitution, and the Duma's rights had been whittled down since

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then both by limitations imposed at the outset in the fundamental laws of 1906, and also in practice ever since.

The Emperor was in entire agreement with his people as to the needs of his army. He appealed for the utmost efforts, and at Rodzianko's request he established a War Industries Committee on which the Duma was to be represented. The Alliance itself worked in the same direction, for democratic France and England desired to see as hearty as possible a coöperation of the Russian people in the prosecution of the war. The War Minister, Sukhomlinov, who had been at least criminally negligent, was dismissed; the Emperor also got rid of those of his Ministers who were at best half-hearted about the war, Nicholas Maklakov, Shcheglovitov and Sabler, and replaced them by men who had the confidence of the country. It looked as if the movement would go a good deal further. The bulk of the Duma, containing nearly all its best brains, had practically formed into one party under the name of the Progressive Bloc, and it asked for the definite adoption of the principle that the Ministry as a whole should be such as to possess the public confidence. Those of the Ministers who were of the same view, at this time a majority in the Cabinet, went even further; they wrote a letter to the Sovereign asking that the aged and obviously incompetent Prime Minister should be changed. If things had not stopped here, Russia would have done what all her Allies were doing at the same time, namely have formed a national and patriotic Coalition Ministry; but, beyond that, she would also have completed the process towards a Constitution which, though often interrupted, had been going on since the Emancipation of the Serfs in 1861.

It was here that the Empress intervened, with the assistance and advice of Rasputin. She got the Emperor back to Tsarskoe Selo for several weeks and persuaded him to dismiss from the Chief Command the Grand Duke Nicholas, who was popular with the Duma and the country. This both she and Rasputin regarded as the most essential victory of all. She then obtained the prorogation of the Duma, and its President and the delegates of other public bodies who begged the Emperor to reverse this decision were met with the most chilling refusal. She then persuaded her husband that all the Ministers who had, so to speak, struck work against Premier Goremykin should be replaced as soon as possible. We thus enter the critical period which changed the war from being an instrument for producing a

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Russian Constitution into the principal cause of the Russian Revolution. From now till the final collapse Russia was governed by the Empress, with Rasputin as her real Prime Minister.

Two incidents in the summer and autumn sharpened the conflict between the Court and the public over the influence of Rasputin. In the summer Rasputin varied his dissolute orgies with a severe course of repentance and visited the tombs of the Patriarchs in Moscow. Presumably he overdid the repentance, for he followed it up with a visit to a notorious resort, the Yar, where he got drunk and behaved in the most scandalous way. His proceedings were recorded in detail by the police, who were present, and were reported by them to one of the most loyal servants of the Emperor, General Dzhunkovsky, at this time Commander of the Palace Guard. Dzhunkovsky presented the report without comment to the Emperor. Next day he was dismissed from all appointments, and the protest of another intimate friend of the Emperor, Prince Orlov, had the same result. The Empress flatly refused to believe such reports and persisted in regarding them as machinations of the police.

In 1915 the Emperor was starting with his son for the front when the Tsarevich was taken violently ill in the train, which thereupon returned to Tsarskoe Selo. Rasputin was summoned at once and from the time of his visit the boy recovered, as in 1912. Rasputin often played on this theme. Once he fell into fervent prayer and when he had ended declared that he had saved the Emperor from assassination. He made many happy guesses, some of which were almost uncanny. On the other hand, the Empress herself gives several instances, some of them conspicuous, of predictions which went all wrong.

Neither the Emperor nor the Empress had at this time any thought whatsoever of a separate peace; the Emperor, we know, never entertained such an idea even after abdication. Up till December 30, the date of the last of the Empress's letters, we know that she regarded victory in the war as a foregone conclusion, that her chief anxiety was that Russian influence might be overshadowed by British when the victorious peace was made, and that her main desire was that the victory of Russia should be entirely the triumph of her husband. Nicholas at times spoke tentatively of reforms, but throughout this period insisted that they could only follow after the war.

In going to the front the Emperor had *ipso facto* more or less

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abandoned the administration to his wife, who definitely describes herself as his "wall in the rear," speaks even of "wearing the trousers" in the struggle against internal enemies, recalls the time when Catherine the Great (who had much more drastically disposed of her husband) received the Ministers, and in the end is absolutely certain that she is "saving Russia." Rasputin who had on several occasions pushed suggestions as to the war, gradually became the ultimate factor in all decisions. Practically no Minister could be appointed except on his recommendation or after accepting allegiance to him.

He initiated the period of his power by making himself absolutely supreme in all Church affairs. Let me sum up his principal achievements in this domain. He dismisses an adverse Minister of Religion, Samarin, who had been the elected Marshal of the Moscow Nobility; he dismisses his successor, Volzhin, appointed at his own desire; he practically appoints a third Minister, Raiev; he commands a public prayer-giving throughout the country, insisting that the order should not pass through the Synod; he appoints as Metropolitan of Petrograd, Pitirim, a contemptible sycophant of his own; he negatives a project of the Synod to create seven Metropolitan Sees in Russia; through one of his subordinates and in violation of all rules he creates a new Saint, St. John of Tobolsk.

But there was hardly any other department of administration with which he did not interfere. He settles at various times and in various ways the administration of the food supply; he orders an absurdly simplified way of dealing with the question of rations; he confers repeatedly with the Minister of Finance, whose resignation he at first demands and then defers, and he insists on the issue of an enormous loan. He secures that the whole passenger transport of the country should be suspended for six days for the passage of food — a measure which is made futile by the failure to collect the food supplies at the proper places for transport. He repeatedly interferes both in military appointments and in military operations; he secures the suspension of Sukhimlinov's trial; he secures the dismissal of his successor, Polivanov, who according to all military evidence, including that of Hindenburg, in his few months of office brought about a wonderful recovery of the efficiency of the Russian army; he orders an offensive; he countermands an offensive; he dictates the tactics to be followed in the Carpathians; he even demands

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to be informed in advance of all military operations, and to know the exact day on which they are to begin, in order that he may decide the issue by his prayers; he arranges the details of the future military entry into Constantinople. He removes the Foreign Minister, Sazonov, who in Russia was the main arch of the alliance, the trusted friend of the British and French Ambassadors. He adjourns and opposes any execution of the Emperor's promise to give autonomy to Poland. He dictates telegrams to the King of Serbia and to the King of Greece.

The following are extracts from letters of the Empress which refer to this period:

1915

Apr. *4.* "Our Friend is shocked at the style of N.N." (the Grand Duke).
6. He thought the Tsar should not have visited Galicia till after the War.
10. He is "rather disturbed about the meat stores."
May *11.* He spends two hours with Bark (Minister of Finance).
Jun. *10.* He says the second class of recruits should not be called in. The Empress adds, "Hearken unto Our Friend."
11. He is against the assembling of the Duma.
12. She objects to Polivanov, the new War Minister. "Is he not Our Friend's enemy? That brings bad luck." Rasputin likes Shakhovskoy (Minister of Trade). "Can influence him for good." He "begs most incessantly" for a one-day's prayer-giving to be ordered by the Tsar without the Synod. She adds "Be more autocratic, my very own sweetheart."
15. Message from Rasputin to the Tsar: "You are to pay less attention to what people say to you, not let yourself be influenced by them. They know much less than you . . . " The Empress adds: "He regrets you did not speak to him more about all you think and were intending to do."
16. "Think more of Gr. (Gregory): ask Him to intervene before God to guide you right."
17. Rasputin begs to postpone the Duma.
18. Of Samarin, Procurator of the Holy Synod: "He is an enemy of Our Friend's and that is the worst thing there can be."
24. The Premier (Goremykin) is to tell Samarin and Shcherbatov (Minister of Interior) how they are to behave to Rasputin.
Aug. *22.* Rasputin, after the replacement of the Grand Duke: "The worst is over."
28. He tells the Tsar to set free criminals and send them to the front.
29. He desires more munition factories. "Khvostov (candidate for Minister of Interior) spoke justly and well about Our Friend" (Khvostov told Rodzianko he intended to discredit Rasputin by making him drunk).

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Sep. 7. She sends a list of possible successors to Samarin. Guriev (one of them) "likes Our Friend."

8. She asks to put Pitirim on the Synod. "He venerates Our Friend."

15. "Comb your hair with His comb" when about to receive the Ministers.

17. She recommends General Shvedov for Procurator, "He calls Our Friend Father Gregory."

Oct. 3. Rasputin begs the Tsar to telegraph to the King of Serbia. She adds "so I enclose a paper . . . put the sense in your words." Rasputin condemns the new stamp money. She will tell Bark.

8. Rasputin says the Grand Duke cannot be successful (in the Caucasus) "for going against Him." (On Sept. 19 Rasputin sent a message "There is little sunshine in the Caucasus.")

10. "He says you must give an order that waggons with flour, butter and sugar should be allowed to pass": no other trains for 3 days. He "saw the whole thing in the night in a vision." This is done.

Nov. 1. Rasputin is "very grieved at Trepov's nomination" (as Minister of Commerce) "as He knows he is very against Him." "Our Friend was always against the war, saying the Balkans were not worth troubling to fight about."

8. "Our Friend is anxious to know . . . about your plans for Rumania." He dictates the course to be followed with Rumania and Greece, walking about and crossing himself. Gives his plans for the march into Constantinople.

10. Rasputin has recommended the dismissal of the Premier (Goremykin). Now he asks the Tsar to wait till He has seen the elder Khvostov "to form his impressions" of him as a possible successor.

12. He pushes Pitirim "as the only suitable man" for Metropolitan. He proposes Zhivakhov as Assistant Procurator of the Synod.

13. He spends 1½ hours with the Empress: tells the Tsar to wait as to the Premier "according to God." He suggests a surprise visit of the Tsar to the Duma to avert scandals (this is done later).

15. "Prompted by what He saw in the night," he bids an advance near Riga. He "says it is necessary: begs you seriously; says we can and we must."
He bids summon the Duma if there is no victory at the front. Tell the Premier to feign illness and let the Tsar make a surprise visit, though "He loathes their existence as I do for Russia." The Empress adds: "I feel sure you will agree to Gregory sooner than to the old man" (the Premier, who is her own choice).

Dec. 2. Among his instructions is one that "He cannot exactly remember, but He says that one must always do what He says."

16. "Always the first place for Gregory" (when entertained at Pitirim's).

19. She suggests Tatishchev as successor to Bark; he "knows and venerates Our Friend: hates Guchkov and those Moscow types."

22. Rasputin says "no more fogs would disturb."

31. He says, "always pay attention to the weather."

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1916

Jan. *4.* She recommends Stürmer for Premier (done).
6. Rasputin "regrets you began that movement (at the front) without asking Him." She sends "a petition from Our Friend, it is a military thing."
7. Rasputin says Stürmer (his protégé) is not to change his Germn name. She sends a budget of his requests.
30. Rasputin and the Empress urge Ivanov for Minister of War *vice* Polivanov.
Feb. *1.* Rasputin objects to Obolensky (in charge of food supplies).
5. The Tsarevich ill. He says "it will pass in two days."
Mar. *4.* "Remember about (dismissing) Polivanov."
6. Rasputin on a responsible Ministry: "It would be the ruin of everything."
12. She writes imploring the dismissal of Polivanov, "Lovey, don't dawdle." She receives the Tsar's consent and adds: "Oh, the relief." She objects to Ignatiev, Minister of Education.
13. She questions the Tsar's new choice for War Minister, Shuvaiev.
14. Rasputin is for Ivanov. She adds "In that He is certainly right."
The Synod has proposed to create 7 Metropolitan Sees. "Our Friend begs you not to agree."
15. "I wish you could shut up that rotten War Industries Committee."
Apr. *1.* Ivanov appointed as military adviser at headquarters. Rasputin is pleased.
25. Rasputin on the trial of Sukhomlinov: "It is a bit not well."
May *23.* He "begs very much not to name Makarov Minister of Interior."
Jun. *4.* He "begs not yet strongly advance in the North."
5. "Our Friend says it is good for us that Kitchener died . . . as later he might have done Russia harm."
9. Rasputin wishes the Tsar to come for two days to Petrograd. She forwards 5 first-class requests transmitted to her from him: prorogue the Duma; dismiss Obolensky; give the food supply to the Minister of Interior: don't thank the zemstvo Red Cross; the fifth request Mme. Vyrubov has forgotten. The Empress asks for a telegram, "Agree to your questions." She proposes a milder judge to try Sukhomlinov. Rasputin hopes "there will be a great victory, perhaps at Kovel," and wants Sukhomlinov then amnestied.
16. Rasputin is against the augmented tram prices. He wishes the Empress to take Mme. Vyrubov with her to headquarters (she does so).
17. He "predicts fatal results" if the 7 Metropolitan Sees are created.
18. He begs the Tsar to be "very firm with the Ministers."
25. The Empress wants Raiev as Procurator of the Synod.
Jul. *16.* She protests at the nomination of Makarov (Minister of Justice: the Tsar's choice). "I must have Our Friend guaranteed against them."

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July 24. Rasputin is against further advance.
Aug. 4. He objects to the liberation of the Slavonic prisoners of war (Poles, Czechs, Serbs, etc.). He "begs you to be very severe with the Generals," and to put off calling the recruits till September 1. He intervenes as to the supply of aeroplanes.
8. He warns against advance over the Carpathians.
9. He has a long talk with the Premier (Stürmer), and tells him to report to the Empress weekly.
13. The Empress recommends Raiev for Procurator and Beliayev for Minister of War (both done later).
18. Message from Rasputin: "A bad tree will fall whatever be the axe that cuts it."
Sep. 4. "Do not hurry with the Polish affair (the promised autonomy) . . . our full trust in Our Friend's wisdom endowed by God." (This advice is followed.)
6. "Our Friend would have liked to take the Rumanian troops in hand to be surer of them."
7. He says "all will be right." He "begs very earnestly to name Protopopov as Minister of Interior." She adds "He likes Our Friend at least 4 years." He wishes an announcement of the promise of the Allies as to Constantinople: "then they must keep their word after." "About Poland he begs you to wait. Do listen to Him: He has more insight than all of them."
9. "Please take Protopopov."
14. "God bless your new choice of Protopopov."
15. He says, change Obolensky.
16. He tells the Tsar not to worry if he finds he has dismissed Generals wrongly.
17. He is given the military plans so as to pray over them. He sends a "paper."
18. The Empress asks the exact date of attack for the above reason.
19. She rejects all the Premier's (Stürmer's) candidates for Chief of Police; she tells him to "hurry up and think again."
21. "Since Catherine no Empress has received the Ministers . . . Gregory is delighted." "God inspires him and to-morrow I'll write what He said."
22. He says the food supply will go right. He advises to call up the Tartars to the army. Sukhomlinov "should not die in jail. . . . Otherwise things will not be smooth."
23. Rasputin is "very satisfied with Father's orders (i.e. from the Tsar to Brusilov)."
28. Obolensky abases himself to Rasputin and begs to be Governor-General of Finland.
29. "Did you remember about mobilising the Tartars?"
Oct. 14. "Tell him (Protopopov) to go on seeing Gregory."
16. Rasputin advises to call up young men, not old.
26. He says that when asked about Polish autonomy the Tsar is to answer, "I do all for my son, will be pure before my son."

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Oct. *30.* She countermands, on her own authority, an order of Protopopov (on the food supply) because "Our Friend said it was absolutely necessary." Rasputin says: "Protopopov will finish off the Unions (zemstvo and town Red Cross) and by that save Russia." She describes their wish for a responsible ministry as "colossal impudence."

31. He says the Sukhomlinov trial must be "absolutely stopped." "All my trust lies in Our Friend." The profiteer Rubinstein must be "at once" released.

Nov. *3.* Message from Rasputin. "Calm papa. Write that everything will be right." She asks again for Rubinstein.

7. Rasputin and Protopopov want the Premier (Stürmer) to be "rested."

9. Rasputin says Stürmer can go on.

10. The Tsar, however, has dismissed Stürmer altogether. She is shocked. "Thanks for Sukhomlinov." Rasputin wants a new Minister of Communications (Trepov is now Premier).

11. Trepov has asked for the dismissal of Protopopov. The Empress writes to save Protopopov. "He venerates Our Friend and will be blessed."

12. "It is the question of the monarchy and your prestige . . . You were alone with us two" (herself and Rasputin).

Dec. *4.* Rasputin has prophesied great times coming for the Tsar and Russia. "Our Friend's dreams mean so much."

5. "He has kept you where you are." "He entreats for Makarov (Minister of Justice) to be quicker changed." "The good is coming — the turn has begun."

8. She urges Shcheglovitov for President of the Council of State (done later). "Only have the Duma cleverly shut."

10. She begs to withdraw the case against the swindler Manuilov which is brought "to harm Our Friend." "Change Makarov." She has seen Dobrovolsky.

13. He "*entreats* you to be *firm*, to be the master, and we must give a strong country to Baby . . . I your wall am behind you . . . It is all getting calmer and better . . . Russia loves to feel the whip. . . . I am strong, but listen to me which means Our Friend."

14. "Be Peter the Great, John the Terrible, Emperor Paul, crush them all under you . . . now don't you laugh, naughty one . . . I could hang Trepov (the Premier) . . . Disperse the Duma at once. Milliukov, Guchkov, and Polivanov also to Siberia. My duty as wife and mother, and Russia's mother, blessed by Our Friend."

15. "Thanks so much for Manuilov."

16. "They touch all near me. Sweep away the dust and dirt" (the Opposition majority in the very Conservative Council of State).

17. "Our Friend has disappeared. Such utter anguish. Am calm and can't believe it." (Rasputin had been assassinated.)

While the Empress's letters wipe clean away all the scandalous charges made against her personal character, while they show that

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up to Rasputin's death she was a fervent Russian patriot who had no thought of a separate peace with Germany, they also prove that she and, through her, Rasputin were the prime authors of the collapse of the Empire and of Russia.

The Bolshevist leaders were far away in Switzerland or Canada,[1] and their not numerous followers were out of the picture. The leaders of the Duma, largely in answer to the pressure of Russia's Allies, were doing all that they could to postpone the explosion till after the War. Up to the intervention of the fatal pair in the late Summer of 1915, it seemed that the war itself was only bringing nearer what practically all Russia desired. Apart from the terrible depression that followed on the disillusionment of 1915, Russia was then confronted with a monstrous régime which would have seemed impossible in some small duchy in the Middle Ages. In the midst of a world-wide struggle, in a time of the closest collaboration with the best brains of Western statesmanship, the Russian Ministers were selected by an ignorant, blind and hysterical woman on the test of their subservience to an ignorant, fantastic and debauched adventurer, a test which they could only satisfy by open-eyed self-abasement or at the best by cynical passivity, and the supreme commands of the adventurer permeated every detail of government in every branch of the administration. Meanwhile, in his drunken revels he babbled publicly of his influence over the Empress, held a daily *levée* attended by the worst financial swindlers, and preached views both on the war and on the government of the country, which were shared only by the avowed friends of Germany, who evidently had easier access to him than any one else.

It was under the leadership of such a government that the lives of millions of peasants were thrown into the furnace of the World War.

[1] Lenin and his chief lieutenants reached Petrograd on April 16, 1917, a month after the Emperor's abdication.

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THE SCHELDT DISPUTE

By Robert H. George

THE problem of the Scheldt was first posed when the Dutch, successful in their long struggle with their Spanish master, gained not merely the recognition of their independence but the right to close the Scheldt (1648). The latter right was the more perfectly guaranteed to them since at the same time their sovereignty was confirmed over lands on the left as well as the right bank of the river. These provisions were made in order that the merchants of the Dutch ports might prosper while "grass grew in the streets of Antwerp." No alteration of this arrangement was made until the days of the French Revolution, despite the transfer of the remaining Spanish provinces (now Belgium) to Austria in 1713. In 1792, however, those same Austrian provinces, already overrun by French armies, were annexed to the young Republic and the river opened. This action by France helped draw England into the coalition against her. But despite the downfall of Napoleon's Empire the river remained open, though the Treaties of Vienna in 1815 united the southern provinces with the Kingdom of the Netherlands.

This disregard of the principle of nationality bore fruit in the shape of the Belgian Revolution of 1830. The results of the revolution were finally formulated nine years later, when the status of the new Kingdom of Belgium and of the Scheldt were defined by the three treaties of London — one between the Great Powers (Great Britain, Austria, France, Russia and Prussia) and Belgium, another between the same Powers and the Netherlands, and yet a third whose signatories represented Belgium on the one hand and the Netherlands on the other. It was provided that the Kingdom of Belgium should constitute "an independent and perpetually neutral state." As regards the Scheldt, a joint commission was given control of pilotage and of the buoying of the channel below Antwerp, though its powers were so loosely defined that in later years they became the subject of reiterated complaints on the part of Belgium. In addition, the treaties stipulated that the use of the canals traversing Belgium and the Netherlands should be free and common to the inhabitants of both, that the control of the waters of the two Flanders (Dutch and Belgian) should be under joint regulation, and that in case Belgium should build a new canal to the Meuse the Netherlands should continue it, at the cost of Belgium, to the frontiers of Germany. This last obligation Belgium acknowledged that her neighbor had fulfilled in 1873.

Friction developed periodically between the two countries over the régime provided for the Scheldt, and became the more intense when Belgium advanced a claim to the Wielingen Channel, the best approach to the Scheldt from the sea, on the ground that a portion of its length lay within the three mile limit off the Belgian coast. In spite of friction, however, Antwerp developed into one of the greater European ports.

In 1919 the treaties of eighty years previous were altered by the recognition of Belgium as a fully sovereign state, on the part both of the Allied Powers and of their late opponents. It was naturally desirable that the other party to the

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earlier treaties, i.e., the Netherlands, should do the same, and negotiations were begun to that end. They were protracted until 1925, owing to the effort to include a settlement of other matters, notably those relating to the Scheldt, and to the insurmountable difficulty presented by Belgium's demand for the acceptance of her view concerning the Wielingen. Only when Belgium consented to omit that question from the discussion was a treaty framed and signed by Dutch and Belgian representatives. This was on April 3, 1925.

This instrument abrogated those Articles of the Belgo-Dutch treaty of 1839 which established the neutrality of Belgium, and provided for a series of joint commissions to regulate the flow of waters in the two Flanders, to keep the Ghent-Terneuzen canal abreast of the demands of modern navigation, and above all to direct the improvement of the Scheldt channels. In addition, the Netherlands were pledged to maintain the existing Walcheren and Zuid Beveland canals, and to improve the Liege-Maestricht canal and part of that from Maestricht to Bois le Duc (Hertzogenbush) in such manner as to allow the use of 1,000 ton boats. Belgium was similarly bound to allow the construction of a canal for boats of like tonnage from a point on the Maestricht-Bois le Duc canal between Neeroeteren and Bocholt to the Meuse near Maesbracht. Furthermore, the Netherlands agreed to the construction of two large canals. One would join Antwerp with the Rhine near Ruhrort, crossing the Meuse near Venlo, and the other unite the great Belgian port with the Hollandsch Diep near Moerdijk. Joint commissions were again provided to draw up plans both for improvements and new construction. Finally, new arrangements were made relative to pilotage and customs duties on navigable waters.

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Such a treaty was manifestly to the advantage of Belgium and lacking in reciprocal advantages for the Netherlands, especially as the latter government was to bear the cost of the new canals built in its territory. Naturally the treaty was speedily ratified in the Belgian Chambers. In the Dutch Second Chamber it likewise secured ratification, though by the narrow margin of three votes. This was on November 11, 1926. Between that date and its rejection by the First Chamber on March 24, 1927, Dutch opposition to the treaty developed in such fashion that it was easy to prophesy the adverse vote of 33–17 which was then recorded. The old rivalry between Rotterdam and Antwerp was revived, with the more cause because of the increasing value of the commercial prize at stake, for it was feared that the new canals would engross the traffic of the Ruhr and Alsace-Lorraine and divert the coal of Dutch Limburg to the benefit of Rotterdam's rival. It was further argued that the projected régime for the Scheldt would involve the surrender of Dutch sovereignty, and the financial provisions of the treaty were subjected to a violent attack. In vain did Jonkeer van Karnebeek, Dutch Minister for Foreign Affairs, argue for the treaty on the ground that it would lead to "a closer understanding with Belgium," and seek to assure his compatriots that the economic position of Rotterdam was impregnable, the more so since in the two decades that would probably elapse before the new canals were in operation the production of the hinterland was sure to increase greatly. In vain, too, did he seek to allay fears concerning the sacrifice of sovereignty and the use of the Scheldt by Belgian warships in time of hostilities. He received the support of a former Prime Minister, but their joint efforts were fruitless.

As a result of the adverse vote Jonkeer van Karnebeek immediately resigned. The Belgian Cabinet met hurriedly and declared its resolve to press for a revision of the Treaties of 1839 "to assure the success of the essential claims of Belgium, principally in regard to her connections with the sea and with the Rhine." In such determination they have the support of the Belgian press, including the Socialist papers. At the time, moreover, the Belgian Foreign Minister seemed to favor an appeal to the Great Powers on the ground that the three Treaties of 1839 formed an integral whole. Such action would appear to have small chance for success since it was on the recommendation of the Supreme Council that the matter was made the subject of direct negotiation in 1919, and since all Dutch parties agree that direct negotiation should be opened on a new basis. Arbitration or reference to the International Court of Justice was rejected by Belgium during the controversy over the Wielingen Channel and a similar proposal now would probably meet the same fate. But some method of procedure must be found. The questions at issue are not dead. Their equitable settlement is an obligation resting upon the two governments concerned.

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MINORITY RIGHTS IN THE CZECHOSLOVAK STATE

By Aleš Broz

THE 13,611,349 inhabitants of Czechoslovakia were divided by the census of February 15, 1921, into 8,760,937 Czechoslovaks, 3,123,568 Germans, 745,431 Magyars, 461,466 Ruthenians, and 75,852 Poles. In this official census the Czechs and Slovaks were counted as "Czechoslovaks" — one nation and one race, as in fact they are. The Slovaks are not a minority. Czechoslovakia is their national state as it is that of the Czechs, a fact that even the autonomous Slovak party of Father Hlinka recognizes.

The case of the Bohemian Germans is different. The national states of the German race are Germany and Austria. In Czechoslovakia the Germans are a minority. Their voice in the direction of the affairs of the Republic is no doubt a very important one, yet it can hardly ever become decisive. For good or ill their fate is bound up with the will of the ruling Czechoslovak majority.

The makers of the New Europe could not leave large minorities like the Germans of Bohemia and the Magyars of Slovakia without some measure of protection. This was done in the treaty concluded between the Allied Powers and Czechoslovakia on September 10, 1919. The treaty consists of 14 articles, of which the most important are 7, 8 and 9. The first of these guarantees to all Czechoslovak citizens, without regard to race, language and religion, full equality before the law, full civil and political rights, free use of any language in private, commercial, religious and public life, and the right to use their own tongue before the courts. Article 8 guarantees to linguistic minorities the right to found their own philanthropic, religious and social institutions and schools, using their own languages. Article 9 points out the duty of the government to establish minority schools in towns and districts containing a large number of inhabitants using a tongue other than the Czech.

How far have these provisions been observed? In one form or another they had to be incorporated in the constitution, and this has been done in the following terms:

1. All citizens of the Czechoslovak Republic shall be in all respects equal before the law and shall enjoy equal political and civic rights, whatever be their race, language or religion.

2. Difference in religion, belief, confession or language shall, within the limits of the common law, constitute no obstacle to any citizen of the Czechoslovak Republic, particularly as regards entry into the public services and offices, attainment of any promotion or dignity, or the exercise of any trade or calling.

3. Citizens of the Czechoslovak Republic may, within the limits of the common law, freely use any language they choose in private and business intercourse, in all matters pertaining to religion, in the press and in all publications whatsoever, or in public assemblies.

4. In so far as citizens of the Czechoslovak Republic are entitled by the common law to establish, manage and administer at their own cost philanthropic,

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religious or social institutions, they are all equal, no matter what their nationality, language, religion or race, and in such institutions they may make use of their own language and worship according to their own religious ceremonies.

5. In towns and districts where there is a considerable fraction of Czechoslovak citizens speaking a language other than Czechoslovak, the children of such Czechoslovak citizens shall, in public instruction and within the bounds of general regulations relating thereto, be guaranteed a due opportunity to receive instruction in their own tongue. The Czechoslovak language at the same time may be prescribed as a compulsory subject of instruction.

6. In towns and districts where there is a considerable fraction belonging to some minority, whether in respect of religion, or nationality, or language, and where specific sums of money from public funds are assigned in the state budget or in the budget of local or other public authorities to be devoted to education, religion or philanthropy, a due share in the use and enjoyment of such sums shall be secured to such minorities within the limits of the general regulations for public administration.

7. Every manner whatsoever of forcible denationalization is prohibited. Non-observance of this principle may be proclaimed by law to be a punishable act.

So much for the constitution. We now have to ascertain how far the constitution has been upheld in practice. In this respect the minority schools offer the best test. In the beginning of the school year 1925–1926 there were in Bohemia, Moravia and Silesia 7,628 Czech schools with 22,439 classes for 848,348 Czech children (an average number of 38 children in a class), and 3,493 German schools for 341,124 German children (an average number of 38.6 children in a class). These figures refer to Bohemia, Moravia and Silesia only. The Government has, however, established German schools in Slovakia and Carpathian Ruthenia where under the Magyar régime there used to be none at all. In all, the Czechoslovak Government has established in Slovakia 112 German schools with 250 classes and 12,798 pupils, and in Carpathian Ruthenia 10 German schools with 11 classes and 555 children.

Let us consider parliamentary representation. 3,123,568 Germans have 72 deputies, 745,431 Magyars have 14 deputies, and 8,760,937 Czechoslovaks have 210 deputies. It will be observed that here again the racial minorities do not come off short, for in this respect the Czechoslovak Government actually has made more generous concessions than those stipulated by the 1919 treaty. In accordance with the country's proportional representation electoral system not a single minority vote is lost. There are 23 electoral districts, each of them comprising approximately 287,000 votes and 13 deputies. If a minority group secures 22,000 votes out of the 287,000 it has a right to a deputy. But this is not all. Assume that this minority represents a total of 27,000 votes in one of the electoral districts: then the 5,000 votes remaining after the 22,000 have been deducted are added to the votes secured throughout the Republic by the minority in question. The total of these scattered surplus votes entitles the minority to a seat in Parliament at the rate of one for every 22,000 votes. The result is that the Germans and Magyars who comprise 28.6 percent of the total population today have a parliamentary representation of 29.1 percent.

It may be asked how far these concessions and pledges of just treatment have

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reconciled the minorities of Czechoslovakia with their fate. The reconciliation is not yet complete, but beyond any doubt great progress has been made. The pre-war régime and the war itself left, as President Masaryk stated some time ago, "a heritage of great mistrust between Czechs and Germans." This mistrust, however, is now being gradually overcome and a closer coöperation between the two races is coming into being. On October 12, 1926, two German representatives, Dr. Spina and Dr. Mayr-Harting, joined the Czechoslovak Government. On May 27, 1927, four German parties voted for President Masaryk. In Czech circles it is frequently suggested that the Czech-German problem ought to be solved on the Swiss model, but President Masaryk has pointed out that it would be better to speak of the Belgian model, since Belgium is a uniform State, while from early times Switzerland has consisted of several independent little states. "The Czech territories," he said, "have been uniform in their historical development and must remain so. There cannot and will not be any question of territorial autonomy nor does the unfavorable grouping of the racial minorities admit of such a course. Our German fellow-countrymen are entitled to a share in the administration and the government. In a democratic state this is a matter of course. But such coöperation on their part presupposes their loyal recognition of the state, and a recognition without any ambiguity."

The task of the Czechoslovak Government is to make the minorities feel themselves at home in Czechoslovakia. They must not think of themselves as minorities. Czechoslovakia must become their state, as it is the state of the Czechs and of the Slovaks. The term "Czechoslovaks" must denote not only the Czechs and Slovaks, but all the inhabitants of the Republic. There is only one way to achieve this end: the way of tolerance and of coöperation.

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SOME RECENT BOOKS ON INTERNATIONAL RELATIONS

By William L. Langer

General International Relations

JUSTICE AMONG NATIONS. By Horace G. Alexander. London: Hogarth, 1927, 59 pp. 1/.

A re-examination of the idea of justice and its place in international relations.

THE PROBLEMS OF PEACE. New York: Oxford University Press, 1927, 378 pp. $4.25.

A collection of addresses delivered at the Geneva Institute of International Relations by prominent writers.

BUILDING INTERNATIONAL GOODWILL. New York: Macmillan, 1927, 258 pp. $1.50.

A series of essays published under the auspices of the World Alliance for International Friendship, in which recognized authorities discuss the obstacles to international peace.

NATIONAL CHARACTER AND THE FACTORS IN ITS FORMATION. By Ernest Barker. London: Methuen, 1927, 296 pp. 10/6.

The well-known English scholar and writer stresses the significance of education in moulding the character of nations.

DIPLOMATIE. By A. Mendelssohn-Bartholdy. Berlin: Rothschild, 1927, 115 pp. M. 4.

An address, with supplementary documents, in which a well-known German authority discusses the *pros* and *cons* of diplomatic methods.

SOCIÉTÉ DES NATIONS ET PROBLÈME DE LA PAIX. By Miroslas Gonsiorowski. Paris: Rousseau, 1927, 2 volumes, 1058 pp. Fr. 86.

A huge legal study of the mechanism of the League as applied to the problem of preventing war.

LES EFFETS DES TRANSFORMATIONS DES ÉTATS SUR LEURS DETTES PUBLIQUES ET AUTRES OBLIGATIONS FINANCIÈRES. By A. N. Sack. Paris: Sirey, 1927, 615 pp. Fr. 80.

Volume I of an authoritative study by a Russian jurist. An important contribution to the understanding of present-day financial problems.

DAS PROBLEM DES SCHUTZES NATIONALER MINDERHEITEN. By Hermann Plettner. Berlin: Sack, 1927, 108 pp. M. 4.50.

A good brief legal study of the provisions made for the protection of minorities and workings of the existing arrangements.

LE PROBLÈME DES MINORITÉS ETHNIQUES. By Samuel Friedman. Paris: Librairie Générale de Droit et de Jurisprudence, 1927, 196 pp. Fr. 20.

A careful scholarly analysis, leading the author to advocate the introduction of a system of autonomy.

THE ROAD TO PROSPERITY. By Sir George Paish. London: Benn, 1927, 154 pp. 6/.

The author, a noted English financier, re-examines the difficulties confronting the world today in the light of the experience of the past. In a brilliant and convincing argument he contrasts the international loans so popular at the present with the loans made for productive purposes in the pre-war period, and comes to the conclusion that

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future stability will depend in large part on the elimination of the barriers to freedom of international trade and return to a more unpolitical basis of international finance. The book is easily one of the most competent and telling indictments of the existing system of mutual exclusion.

THE HISTORY OF REPARATIONS. By Carl Bergmann. Boston: Houghton Mifflin, 1927, 353 pp. $6.00.

This is one of the few very important books on the question of reparations. The writer is one of the German financial experts who was associated with various committees and delegations throughout the entire negotiations. His book, which may be taken as the authoritative presentation from the German point of view, attacks the problem historically and gives a systematic account of the various conferences and programs. The author shows throughout a truly exceptional appreciation not only for the difficulties and state of mind of Germany's opponents, but for the weaknesses of his own country's position. As a contribution to the history of post-war reconstruction it is absolutely indispensable.

DETTES INTERALLIÉES. By F. François-Marsal. Paris: Rennaissance du Livre, 1927, 176 pp. Fr. 10.

A perennial problem as seen by a prominent French statesman.

JANUS: THE CONQUEST OF WAR. By William McDougall. New York: Dutton, 1927, 140 pp. $1.00.

A well-known psychologist tackles the question of war and its prevention in a brilliant but rather inconclusive essay.

NAVIES AND NATIONS. By Hector Bywater. Boston: Houghton Mifflin, 1927, 292 pp. $4.00.

This is one of the outstanding books of the last few months, and, in view of the Geneva Conference, could hardly have been more timely. Mr. Bywater, who is a recognized writer on naval problems, here surveys the developments that have taken place since the Washington Treaties and examines the political needs which the various nations may advance in favor of larger naval armaments. While admitting that in many cases nations have cause for apprehension, the writer comes to the conclusion that none of the great powers need really fear aggression and that the obstacles to disarmament are by no means insuperable. The argument, based upon an almost unrivalled knowledge of the facts and figures, is forcefully presented, and the book can be highly recommended to those who have found themselves lost in the mists of propaganda.

THE REMAKING OF MODERN ARMIES. By Captain B. H. Liddell Hart. London: Murray, 1927, 315 pp. 10/6.

A rather unsystematic and diffuse, though provocative account of modern military systems and tactics.

GENERAL DISARMAMENT OR WAR? By Rennie Smith. London: Allen and Unwin, 1927, 111 pp. 3/6.

A brief summary of the important facts concerning armaments, designed to stimulate the interest of the public at large in the problem of disarmament.

THE GREAT DELUSION. By Neon. New York: Dial Press, 1927, 327 pp. $4.00.

In the days of repeated and spectacular air conquests this book is startling to say the least. The author has presented the most complete case against aircraft, for either military or commercial purposes, and has collected an imposing number of testimonials to bolster up his case. The book is vigorously and brilliantly written, but is so obviously biased that it loses much of the power of conviction. On the other hand, as an antidote to excessive optimism it serves a good purpose. The introduction is by Arthur H. Pollen.

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AIR FACTS AND PROBLEMS. By Lord Thomson. London: Murray, 1927, 255 pp. 6/.

In contrast to the preceding, this is a calm and competent, though rather conventional presentation, by the former British Secretary for Air.

DIE NEUTRALITÄT IM LUFTKRIEGSRECHT. By G. von Hackwitz. Stuttgart: Enke, 1927, 111 pp. M. 7.70.

A scholarly outline of a neglected problem of urgent importance.

International Relations of the United States

THE SERVICES OF SUPPLY. By General Johnson Hagood. Boston: Houghton Mifflin, 1927, 420 pp. $5.00.

An important and authoritative contribution to the history of the war.

PROFESSIONAL PATRIOTS. Edited by Norman Hapgood. New York: Boni, 1927, 219 pp. $1.50.

A collection of studies setting forth the personalities and methods of those who made a business of arousing the national impulses during the war.

LA MÉDITERRANÉE AMÉRICAINE. By Jacques Crokaert. Paris: Payot, 1927, 288 pp. Fr. 25.

A former Belgian diplomat in Central America gives an unflattering and unsympathetic account of American expansion and designs in the Caribbean, emphasizing perhaps unduly the uncompromising struggle between the United States and England.

OCCUPIED HAITI. Edited by Emily G. Balch. New York: Writers Publishing Company, 1927, 186 pp.

The report of an unofficial committee of six sent to Haiti under the auspices of the International League for Peace and Freedom. The members, after a careful examination of the conditions and after interviewing many of the officials, give an excellent survey of the circumstances leading to the occupation and a dispassionate picture of conditions as they have been under American control. They unanimously recommend that steps be taken to effect the evacuation of the American forces and the return to a normal constitutional régime, and offer suggestions as to the ways and means by which this change may be brought about.

THE PANAMA CANAL. By Darrell H. Smith. Baltimore: Johns Hopkins Press, 1927, 430 pp. $2.50.

A detailed account of the history, organization and working of the canal, published as one of the service monographs of the United States Government.

THE FOREIGN EXPANSION OF AMERICAN BANKS. By Clyde W. Phelps. New York: Ronald, 1927, 233 pp. $4.00.

A scholarly study of the development of the American branch banking system.

AMERICAN OPINION OF FRANCE FROM LAFAYETTE TO POINCARÉ. By Elizabeth B. White. New York: Knopf, 1927, 362 pp. $5.00.

This conscientious and scholarly work is the first systematic study of the evolution of American opinion of France and should deal the death blow to the prevalent idea that France has always been sympathetically regarded by the people of the United States. The author has done an incredible amount of work with the files of old newspapers and periodicals and by skillful quotations has shown how American opinion reacted to the policies of France at various periods. The book is indispensable as a background for the study of American foreign policy.

MEXICO Y LOS ESTADOS UNIDOS ANTE EL DERECHO INTERNACIONAL. By T. Esquivel Obregon. Mexico: Herrero, 1927, 192 pp.

A competent Mexican scholar gives an able criticism of American policy towards Mexico.

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CHILE AND ITS RELATIONS WITH THE UNITED STATES. By Henry C. Evans, Jr. Durham: Duke University, 1927, 253 pp. $2.50.

An excellent scholarly book, based in large part upon the unpublished material in the Department of State.

Europe

TWENTIETH CENTURY EUROPE. By Preston W. Slosson. Boston: Houghton Mifflin, 1927, 756 pp. $6.00.

A good conventional text, commendable for its open-mindedness.

A HISTORY OF EUROPEAN DIPLOMACY, 1914–1925. By Robert B. Mowat. New York: Longmans, 1927, 351 pp. $6.25.

As a pioneer work on the diplomacy of the war and post-war periods this book is distinctly welcome. The writer surveys the developments of the years 1914–1918, concentrating attention upon the major questions, such as those of intervention, and then outlines the major problems of the post-war period. On the whole the book is well-done, and shows a thorough acquaintance with the source material, though occasionally important books have been overlooked. Perhaps the chief weakness of the account is its brevity. Many extremely complicated problems are over-simplified, and the author himself is not always critical in the use of his material.

THE EUROPEAN SITUATION. By A. Mendelssohn-Bartholdy. New Haven: Yale University Press, 1927, 123 pp. $2.00.

Williamstown lectures, by a prominent German writer.

BOLSHEVISM, FASCISM AND DEMOCRACY. By Franceso Nitti. London: Allen and Unwin, 1927, 223 pp. 7/6.

The former Italian premier demonstrates once more that Bolshevism and Fascism are alike products of the war and are bound to give way sooner or later to the normal system of civilized society, liberal democracy.

A FRENCHMAN LOOKS AT THE PEACE. By Alcide Ebray. New York: Knopf, 1927, 281 pp. $4.00.

The English translation of a much-discussed French indictment of the peace treaty and the post-war diplomacy.

LE MAUVAIS TRAITÉ. By Charles Maurras. Paris: Éditions du Capitole, 1927, 320 pp. Fr. 25.

A brilliant French controversialist follows the fashion by writing a violent denunciation of European diplomacy from Versailles to Locarno.

BISMARCK, ANDRASSY AND THEIR SUCCESSORS. By Count Julius von Andrassy. Boston: Houghton Mifflin, 1927, 470 pp. $6.00.

There is very little of the personal touch and almost nothing of personal experience in this study by the former Hungarian foreign minister. The book is really nothing more than a summary account of international relations from 1871 to 1906, based in large part upon the material from the German archives. On the whole the writer attempts to whitewash the policy of Germany and Austria-Hungary, and his purpose in writing seems to have been to contrast the attitude of Bismarck and the elder Andrassy with the attitude of the statesmen of 1918–1919. It cannot be said that he has been very successful. While interesting, the book is essentially uneven and unscholarly.

THE RUSSIAN IMPERIAL CONSPIRACY 1892–1914. By Robert L. Owen. New York: Boni, 1927, 224 pp. $2.00.

The former senator from Oklahoma proves to his own satisfaction that Russia and France had for many years prior to 1914 been plotting against the peace of the world. It may be doubted whether the book will convince many other people. It makes up in

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violence of statement what it lacks in sound critical scholarship, and will probably harm the cause of "revisionism" more than help it.

LES ARMÉES FRANÇAISES DANS LA GRANDE GUERRE. Paris: Imprimerie Nationale, 1927, Fr. 580.

Volume III of the official history of the war, covering the offensives of 1915 and the winter of 1915–1916. There are four volumes of documents and maps.

HISTORY OF THE GREAT WAR. Volume IV. London: H. M. S. O. 1927, 15/.

The latest volume of the British official history, dealing with the campaign in Mesopotamia 1914–1918.

THE RECORD OF THE BATTLE OF JUTLAND. By Rear Admiral J. E. T. Harper. London: H. M. S. O. 1927, 2/6.

The famous record prepared for the Admiralty by Admiral Harper and others in 1919–1920.

THE TRUTH ABOUT JUTLAND. By Rear Admiral J. E. T. Harper. London: Murray, 1927, 200 pp. 5/.

Utilizing the record, Admiral Harper reviews the evidence, largely exonerates Jellicoe, but by no means whitewashes the British Fleet. This is one of the most important studies yet made.

CORONEL AND THE FALKLAND ISLANDS. By Lieutenant-Commander John Irving. London: Philpot, 1927, 247 pp. 6/.

The cruiser warfare admirably described.

DER KAMPF UM DIE DARDANELLEN. By Karl Mühlmann. Oldenburg: Stalling, 1927, 195 pp. M. 5.

A good substantial account of the Gallipoli campaign, by one of the German generals who participated.

LA TROISIÈME RÉPUBLIQUE. By Raymond Recouly. Paris: Hachette, 1927, Fr. 20.

The best single-volume history of the Third Republic yet published.

NOTRE ALSACE. By Édouard Helsey. Paris: Michel, 1926, Fr. 100.

An investigation of the recent troubles and a full account of the Colmar trial.

LA FRANCE ÉCONOMIQUE D'AUJOURD'HUI. By G. Welter. Paris: Payot, 1927, 368 pp. Fr. 25.

A splendid study of the present economic situation, by an official of the department of foreign commerce.

LA VIOLATION DE LA NEUTRALITÉ BELGE ET SES AVOCATS. By Alfred de Ridder. Brussels: Dewit, 1926, 324 pp.

A well-balanced and dispassionate examination of the history of Belgian neutrality, the interpretations given to it, the nature of Belgium's military preparations, etc.

DIE STAATSVERWALTUNG DER BESETZTEN GEBIETE. I BELGIEN. By Ludwig von Köhler. New Haven. Yale University Press, 1927, 239 pp.

One of the first volumes of the German series of the Carnegie Social and Economic History of the War. A thorough study of the German occupation of Belgium, going a long way towards explaining the difficulties presenting themselves.

LA QUESTION DE L'ESCAUT. By A. Jaumin and M. Jottard. Paris: L'Eglantine, 1927, 136 pp. Fr. 12.

An able review of the old question regarding the Scheldt, tracing the negotiations since 1839 and stressing the recent developments.

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THE WORLD POLICY OF GERMANY 1890–1912. By Otto Hammann. New York: Knopf, 1927, 269 pp. $5.00.

This outline, written by the former Chief of the Press Division of the German Foreign Office, is noteworthy not so much for new facts which it presents as for the breadth of view of the author. It is easily one of the most readable and instructive books on the origins of the war, written with real understanding in a spirit of generosity and tolerance.

FROM BISMARCK TO THE WORLD WAR. By Erich Brandenburg. New York: Oxford University Press, 1927, 556 pp. $7.00.

Brandenburg's book is the accepted authoritative account of German policy from the time of Bismarck's fall to the outbreak of the war, and for detachment and scholarly impartiality out-ranks any other book on war origins. The author has made full use of the German documents, and has made use of them in a sane way, combining the information they contain with an unrivalled knowledge of the other material available. The book is a masterpiece of its kind.

ERINNERUNGEN UND DOKUMENTE. By Prinz Max von Baden. Stuttgart: Deutsche Verlagsanstalt, 1927, 695 pp. M. 14.

The long-awaited apology of the former German chancellor. An invaluable contribution to the history of Germany's collapse, the armistice negotiations and the German Revolution.

DIE DEUTSCHE STAATSFINANZWIRTSCHAFT IM KRIEGE. By Walther Lotz. New Haven: Yale University Press, 1927, 151 pp.

An outstanding volume in the Carnegie series. The writer, a well-known German economist, shows to how large an extent the war was financed by the German government by means of loans, and explains why the system of greater taxation was difficult.

GEISTIGE UND SITTLICHE WIRKUNGEN DES KRIEGES IN DEUTSCHLAND. By Otto Baumgarten, Erich Foerster, Arnold Rademacher and Wilhelm Flittner. New Haven: Yale University Press, 1927, 383 pp.

An interesting account of the less tangible results of the war in Germany.

IM GEFÄNGNIS DER SEPARATISTEN. By Georg Germann. Nürnberg: Schmalz, 1927, 144 pp. M. 2.50.

More inside information on the separatist movement in the Palatinate.

LE CONTRÔLE MILITAIRE INTERALLIÉ EN ALLEMAGNE. By Paul Roques. Paris: Berger-Levrault, 1927, 152 pp. Fr. 8.10.

A systematic account of the military control.

THE NEW GERMANY. By Ernst Jäckh. New York: Oxford University Press, 1927, 103 pp.

Three lectures emphasizing particularly Germany's new place in the world.

A VILÁG HÂBORÚ A MILYENNEK ÉN LÁTTAM. By Archduke Joseph. Budapest: Hungarian Academy of Sciences, 1926, 678 pp.

An important contribution to the history of the campaigns on the Serbian and Galician fronts in 1914 and 1915.

THE SOCIAL REVOLUTION IN AUSTRIA. By C. A. Macartney. London: Cambridge University Press (New York: Macmillan) 1927, 288 pp. 8/6.

A comprehensive, detailed and judicious account of the internal developments in Austria since 1914. Easily the best work on the subject in English.

OESTERREICHS WIRTSCHAFTLICHE GEGENWART UND ZUKUNFT. By Ludwig Neumann. Vienna: Halm and Goldmann, 1927, 83 pp. M. 2.40.

An industrialist surveys the situation and suggests remedies.

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CEUX DE LA PIAVE. By Rudiger. Paris: Scribe, 1927, 200 pp. Fr. 12.
A well-documented history of the Italian effort.

THE FASCIST DICTATORSHIP IN ITALY. VOLUME I. By Gaetano Salvemini. New York: Holt, 1927, 328 pp. $3.00.
Written by one of the most uncompromising opponents of the Fascist régime, this book is likely to remain for a long time the classic formulation of the case against the present régime in Italy. Professor Salvemini is a well-known historian, all of whose work has been characterized by painstaking and conscientious scholarship. The present book, though written with passion and with an outspoken bias, is nevertheless done with the greatest care, the facts quoted being invariably supported by acceptable references. This first volume, which is concerned primarily with the external history of the movement, does much to dispel the mists of legend and propaganda, to place the rise of Fascism in its proper setting and to throw new light on many of the obscure and disputed points, especially the Matteotti case.

LA NOSTRA SPEDIZIONE IN ALBANIA. By E. Bertotti. Milan: Unitas, 1926, 184 pp. L. 14.
This is the first adequate account of the Italian expedition to Albania in 1915–1916, and throws considerable light on the present Balkan policy of the Fascist government.

DIE WAHRHEIT ÜBER SÜDTIROL. By Hans Fingeller. Munich: Huber, 1926, 102 pp. M. 2.
The latest exposé of the Italian policy in the southern Tirol from 1918 to 1926.

LA QUESTIONE D'ORIENTE. By Cesare Spellanzon. Milan: Corbaccio, 1926, 374 pp. L. 16.
The Balkan settlement as viewed by a well-informed Italian.

DAS JUGOSLAWISCHE PROBLEM. By Friedrich von Taysen. Berlin: Mittler, 1927, 120 pp. M. 3.80.
A general survey of current problems, useful for orientation.

ALBANIEN. By Herbert Louis. Stuttgart: Engelhorn, 1927, 164 pp. M. 8.
One of the few up-to-date scientific surveys.

MAKEDONIEN. By Leonhard Schultze-Jena. Jena: Fischer, 1927, 250 pp. M. 40.
An outstanding book on Macedonia, richly illustrated and comprehensive, written by a German professor of geography and based upon data taken during the war and in 1922.

THE MINORITIES IN ROUMANIAN TRANSYLVANIA. By Zsmbor Szasz. London: Richards, 1927, 414 pp. 16/.
An imposing and well-documented indictment of the Rumanian policy, probably the best book on the subject.

LA POLOGNE RESTAURÉE. By Casimir Smogorzewski. Paris: Gebethner and Wolff, 1927, 360 pp. Fr. 18.
A mine of information on the conditions in Poland during the war, the re-establishment of independence, and present day domestic and foreign problems.

DER WIDERSINN DES POLNISCHEN KORRIDORS. By Johann Fürst. Berlin: Deutsche Rundschau, 1926, 147 pp. M. 5.
An able reply to Slawski's *Poland's Access to the Sea*.

FINLAND, THE COUNTRY AND ITS PEOPLE AND INSTITUTIONS. Helsingfors: Otava, 1927, 603 pp. mk. 4.50.
A beautiful and exhaustive descriptive work, written by a group of experts.

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FÜNF STURMJAHRE MIT GENERAL WRANGEL. By Wladimir Dawatz. Berlin: Verlag für Kulturpolitik, 1927, 249 pp. M. 5.

A substantial contribution to our knowledge of the organization of the counter-revolutionary forces.

THE FAMINE IN SOVIET RUSSIA. By H. H. Fisher. New York: Macmillan, 1927, 619 pp. $5.00.

The authoritative record of the operations of the American Relief Administration.

ON THE TRAIL OF THE RUSSIAN FAMINE. By Frank A. Golder and Lincoln Hutchinson. Palo Alto: Stanford University Press, 1927, 331 pp. $3.50.

An interesting story, told by two competent observers, members of the Rel ef Administration.

LA VIERGE ROUGE DU KREMLIN. By Charles Lucieto. Paris: Berger-Levrault, 1927, 444 pp. Fr. 12.

A rather sensational account of the work of the Cheka, by a member of the French intelligence service.

DIE KONZESSIONSPOLITIK SOWJETRUSSLANDS. By G. Gerschuni. Berlin: Prager, 1927, 133 pp. M. 4.80.

A sober scholarly treatise on the theory and practice of concessions under the Soviet system.

THE MIND AND FACE OF BOLSHEVISM. By René Fülöp-Miller. New York: Putnam, 1927, 308 pp.

The English translation of one of the best accounts of non-political developments under the Bolshevist régime.

RUSSIA FROM WITHIN. By Herbert Bury. London: Churchman, 1927, 247 pp. 8/6.

A refreshing and original treatment of the religious problem, by an English bishop.

LA RESURRECTION DE LA RUSSIE. By Vassili Schoulguine. Paris: Payot, 1927, 304 pp. Fr. 20.

The impressions of a former Russian deputy while on a secret visit to Russia. One of the better surveys of present conditions.

The British Commonwealth of Nations

THE MECHANISM OF THE MODERN STATE. By Sir John A. R. Marriott. New York: Oxford University Press, 1927, 620, 680 pp. $15.00.

In this imposing study the prominent English scholar and parliamentarian reviews the working of modern governments. While the main part of the book is taken up with a careful and authoritative description of the mechanism of the English system, the author follows the comparative method and examines the English government in the light of other experiments, especially in America and western Europe. Perhaps the most refreshing part of the work is the critique of various schemes advanced as solutions for present day ills. Here the author draws upon his own wide political experience and his keen sense of realities.

BRITISH FOREIGN SECRETARIES, 1807–1916. By Algernon Cecil. London: Beel, 1927, 390 pp. 15/.

A fascinating review of the personalities and policies of British foreign ministers, provocative and written from a cosmopolitan standpoint.

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THE LIGHT OF EXPERIENCE. By Sir Francis Younghusband. London: Constable, 1927, 315 pp. 15/.

The memoirs of the famous explorer and empire-builder, revealing the man himself rather than adding much to our knowledge of the facts.

PARLIAMENT AND WAR. By Francis R. Flournoy. London: King, 1927, 294 pp. 15/.

A scholarly piece of research examining the part played by parliament in determining questions of war in the last hundred years.

THE WAR AND THE SHIPPING INDUSTRY. By C. Ernest Fayle. New Haven: Yale University Press, 1927, 472 pp.

A splendid study of one of the most crucial problems of the war, dealing chiefly with the economic and administrative questions presented by the shipping industry.

POLITIQUES ET THÉORIE MONÉTAIRES ANGLAISES D'APRÈS-GUERRE. By J. Pierre Lazard. Paris: Sirey, 1927, 125 pp. Fr. 12.

A stimulating essay, designed to introduce the theories and practice of the English to the French public.

LE DRAME IRLANDAIS ET L'IRLANDE NOUVELLE. By Louis P. Dubois. Paris: Perrin, 1927, Fr. 12.

A general account of events in Ireland since 1914.

MOTHER INDIA. By Katherine Mayo. New York: Harcourt Brace, 1927, 454 pp. $3.75.

A disillusioning picture of conditions in India and a devastating indictment of the natives, but hardly a profound contribution.

MODERN INDIA. By V. H. Rutherford. London: Labour Publishing Company, 1927, 284 pp. 7/6.

A Radical critique of the English administration and an appeal for complete self-government.

LA LIBÉRATION NATIONALE DES INDES. By M. N. Roy. Paris: Éditions Sociales Internationales, 1927, 108 pp. Fr. 5.

A Hindu presents the case against independence.

The Near East

L'IMBROGLIO SYRIEN. By Pierre Bonardi. Paris: Rieder, 1927, 160 pp. Fr. 9.

An account of personal experiences during the last troubles.

EN ASIE MUSULMANE. By Maurice Pernot. Paris: Hachette, 1927, Fr. 12.50.

One of the most competent French writers records the conditions in the Middle East. A valuable book, in spite of its pronounced anti-English bias.

PROBLÈMES POLITIQUES DE L'ORGANISATION SIONISTE. By Mario Romano. Paris: Rieder, 1927, 128 pp. Fr. 7.50.

A plea for the maintenance of the entente with England and for an understanding with the Arabs.

Africa

EUROPE AND AFRICA. By Norman D. Harris. Boston: Houghton Mifflin, 1927, 497 pp. $4.00.

The revised edition of the author's *Intervention and Colonization in Africa*. A good general text.

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THE NEW AFRICA. By Reverend Donald Fraser. London: Edinburgh House, 1927, 202 pp. 2/.
A missionary view of the new situation.

PAROLES D'ACTION. By Maréchal Lyautey. Paris: Colin, 1927, 480 pp. Fr. 35.
The interesting and instructive memoirs of a famous administrator, covering his work in Madagascar, Oran and Morocco.

L'AFRIQUE DU NORD PENDANT LA GUERRE. By Augustin Bernard. New Haven: Yale University Press, 1927, 144 pp.
A thorough monograph, covering an important chapter of war history and throwing light especially on the recruiting of colonial troops by the French Government.

L'AVENTURE RIFFAINE ET SES DESSOUS POLITIQUES. By Hubert-Jacques. Paris: Bossard, 1927, 375 pp. Fr. 15.
A valuable book, written by one who has been associated with events in Morocco since 1903. Throws much light on the inner history of the French conquest.

LA RINASCITA DELLA TRIPOLITANIA. Milan: Mondadori, 1926, 586 pp.
An elaborately illustrated review of Count Volpi's governorship.

EAST AFRICA, A NEW DOMINION. By Major Archibald Church. London: Witherby, 1927, 315 pp. 18/.
An excellent study of conditions and problems, written by a member of the Parliamentary Commission of 1924.

CONGO. LAND EN VOLK. By Louis Frank. Bruges: Centrale Boekhandel, 1926, 344 pp. Fr. 15.
An authoritative general survey, by a former Belgian minister of colonies.

The Far East

CONTEMPORARY THOUGHT OF JAPAN AND CHINA. By Kyoson Tsuchida. New York: Knopf, 1927, 239 pp. $2.50.
A pioneer essay intended to introduce the western world to the present day philosophy of the Far East, and to explain the basis of this philosophy.

CHINA AND FOREIGN POWERS. By Sir Frederick Whyte. New York: Oxford University Press, 1927, 86 pp.
A brilliant defence of the English policy in the past, by a well-known English administrator.

CHINA AND BRITAIN. By R. C. Hall. London: Edinburgh House, 1927, 175 pp. 2/.
A sincere appeal for the application of the Christian spirit, even at the expense of material loss.

THE CRISIS IN CHINA. By P. T. Etherton. Boston: Little Brown, 1927, 259 pp. $3.50.
This brief masterly survey of the history and present crisis in China is written by one of the most experienced and best informed English officials. Distinguished by unusual reasonableness throughout, it gives in comparatively few pages the facts essential for an understanding of the present unrest and emphasizes the fundamental nature of the points at issue. It is easily one of the most stimulating and informative books recently published.

WHAT AND WHY IN CHINA. By Paul Hutchinson. Chicago: Willett, Clark and Colby, 1927, 111 pp. $1.00.
An introductory account of the present situation.

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L'ESPRIT DU PEUPLE CHINOIS. By Kou-Houng-Ming. Paris: Stock, 1927, Fr. 12.

The intellectual revolt pictured by a Chinese philosopher.

DIE ARBEITER CHINAS IM KAMPF GEGEN DE IMPERIALISMUS. Berlin: Fuhrer, 1927, 72 pp. M. 1.

The report of the First Delegation of Soviet Trades Unions.

PEOPLES AND PROBLEMS OF THE PACIFIC. By J. Macmillan Brown. London: Unwin, 1927, 343, 309 pp. 50/.

A collection of papers by a leading authority, some dealing with the problems of the present.

LE PROBLÈME DU PACIFIQUE. By André Dubosco. Paris: Delagrave, 1927, 126 pp. Fr. 7.

A comprehensive and on the whole satisfactory survey of the present situation.

Latin America

MEXICO. By Alexander Stelzmann. Lubeck: Quitzow, 1927, 296 pp. M. 11.

A thoroughly scientific picture of present-day Mexico.

AMERICA. By Arturo Capdevila. Buenos Aires: Gleizer, 1927, 166 pp.

A well-known Argentine writer calls upon the youth of his country to develop a new nationalism as the best antidote to American economic domination.

EL NACIONALISMO CONTINENTAL. By Joaquin Edwards Bello. Madrid: Hernandez, 1927, 174 pp.

Another appeal for a return to realities and the self-development of Latin America.

Miscellaneous

LENIN UND GANDHI. By René Fülöp-Miller. Vienna: Amalthea, 1927, 306 pp. M. 9.

A well-known writer holds up the Russian and the Indian leaders as the two most typical of our contemporaries.

COMMUNISM. By Harold J. Laski. New York: Henry Holt, 1927, 256 pp.

A convenient and thoroughly competent treatment, in the Home University Library series.

LA DERNIÈRE ÉVOLUTION DU SOCIALISME AU COMMUNISME. By Jean Bourdeau. Paris: Alcan, 1927, 184 pp. Fr. 12.

A useful account of the more recent teachings of the socialist school.

PROTESTANT EUROPE. By Adolph Kellor and George C. Stewart. New York: Doran, 1927, 385 pp. $3.50.

A thorough scholarly treatment of contemporary problems, indispensable for an understanding of European religious issues.

DIE EISENINDUSTRIE IN DER WELT. By Max Schlenker. Jena: Fischer, 1927, 34 pp. M. 1.10.

An admirable and instructive essay, discussing the conditions underlying the international iron syndicate.

OELPOLITIK UND ANGELSÄCHISCHER IMPERIALISMUS. By Karl Hoffmann. Berlin: Ring, 1927, 446 pp. M. 24.

Easily one of the most exhaustive and reliable histories of oil problems in recent years.

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CALENDAR REFORM

LEAGUE OF NATIONS. Advisory and Technical Committee for Communications and Transit. Special Committee of Enquiry into the Reform of the Calendar. Classification and Summary of Proposals for Calendar Reform received before July 1st, 1926. 58 p. 24 cm. (C. 167. M. 49. 1927. VIII. 8.) $0.40.

CHINESE CONCESSIONARY AREAS

PAPERS respecting the Agreements relative to the British Concessions at Hankow and Kiukiang. London, 1927. 14 p. 24½ cm. (Parl. Pap., China No. 3 (1927). Cmd. 2869.) 3d.

CLAIMS

GREAT BRITAIN. . . . Arrangement effected by exchange of notes between the United States and Great Britain for the disposal of certain pecuniary claims arising out of the recent war. Signed May 19, 1927. Washington, 1927. 1 p. l., 5 p. 23 cm. (Treaty series, No. 756.) 5 cents.

NOTES exchanged between His Britannic Majesty's Government and the Government of the United States of America regarding the disposal of certain pecuniary claims arising out of the recent war. Washington, May 19, 1927. London, 1927. 7 p. 24½ cm. (Parl. Pap., Treaty series No. 14 (1927). Cmd. 2877.) 2d.

MEXICO. Comisión especial de reclamaciones Mexico y los Estados Unidos. "Casos de Santa Isabel." Los Estados Unidos de America en nombre de Cornelia J. Pringle y otros reclamantes contra Los Estados Unidos Mexicanos. Repuesta dada por el comisionado de Mexico al interrogatorio formulado por el presidente de la comision para servir de base á la sentencia en los casos llamados de Santa Isabel (no. 449). Mexico, 1926.

COMMISSION under the Convention Concluded September 8, 1923, between the United States and Mexico. . . . Washington, Government Printing Office, 1927. 23 cm. (Opinions separately printed and paged.)

CONVENTION between His Majesty and the President of the United Mexican States for the Settlement of British Pecuniary Claims in Mexico Arising from Loss or Damage from Revolutionary Acts Between November 20, 1910 and May 31, 1920. Signed at Mexico, November 19, 1926. London, 1927. 10 p., double column, 24½ cm. (Parl. Pap., Mexico, No. 1 (1927). Cmd. 2876.) 3d.

TRIPARTITE CLAIMS COMMISSION (United States, Austria, and Hungary). Administrative Decision No. 1, Announcing Definitions and General Governing Principles and Dealing with the Functions and Jurisdiction of the Commission and Administrative Decision No. II, Dealing with Debts and Claims Arising under the Economic Clauses of the Treaty. (May 25, 1927.) Washington, U. S. Government Printing Office, 1927. 36 p. 23 cm.

ST. GERMAIN, Treaty of, September 10, 1919 (Austria). Before Tripartite Claims Commission, United States, Austria, and Hungary; brief of American agent on economic clauses of treaties of St. Germain and Trianon. Washington, 1927.

VERSAILLES. Rules of Procedure of the Anglo-German Mixed Arbitral Tribunal constituted under Article 304 of the Treaty of Versailles, dated September 4, 1920, reprinted as amended by S. R. & O.'s, 1925; Nos. 176 and 807, together with the rules of Summary Procedure, dated February 20, 1925. 4d.

COLONIAL QUESTIONS

GREAT BRITAIN. Colonial Office Conference, 1927. Summary of proceedings. London, H. M. Stat. Off., 1927. 73 pp. 24½ cm. (Cmd. 2883.)

DANUBE

JURISDICTION. Advisory and Technical Committee for Communications and Transit. Report of the Special Committee on the Question of the Jurisdiction of the European Commission of the Danube. Geneva, 1927. 67 p. 33 cm. (C. C. T. /C. D. /8. 1927. VIII. 7.) $0.60.

ECONOMIC CONFERENCE, INTERNATIONAL

GUIDE to the Preparatory Documents of the Conference. 43 p. 23 cm. (C. E. I. 40. 1927. II. 41.) $0.20.

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JOURNAL of the International Economic Conference, Geneva, 1927, No. 1 [–18]. Wednesday, May 4th [–24th], 1927. 231 p. 32½ cm. $1.75.

THE WORLD ECONOMIC CONFERENCE. Geneva, May, 1927. FINAL REPORT. Second impression. 76 p. 27 cm. (C. E. I. 44 (1). 1927. II. 46 (*a*).) $0.25.

WORLD ECONOMIC CONFERENCE. DISCUSSION AND DECLARATIONS on the Report of the Conference at the Council of the League of Nations on June 16th, 1927. 14 p. 26 cm. (C. E. I. 45. 1927. II. 50.) $0.15.

EGYPT

LA FRONTIÈRE occidentale de l'Egypte. Accord Egypto-Italien du 9 novembre 1926 en exécution de l'accord du 6 décembre 1925. Cairo, Government Publications Office, 1927.

GREAT BRITAIN — SOVIET UNION

DOCUMENTS illustrating the Hostile Activities of the Soviet Government and Third International against Great Britain. London, 1927. 31 p. 24½ cm. (Parl. Pap., Russia No. 2 (1927). Cmd. 2874.) 6d.

A SELECTION of Papers dealing with the relations between His Majesty's Government and the Soviet Government, 1921–1927. London, 1927. 72 p. 24½ cm. (Parl. Pap., Russia No. 3 (1927). Cmd. 2895.) 1s. 3d.

HAITI

FIFTH ANNUAL REPORT of American High Commissioner at Port au Prince, Haiti, to Secretary of State (calendar year), 1926. Washington, 1927. v, 61 p., il. 15 cents.

ANNUAL REPORT of Financial Adviser-General Receiver, for fiscal year October, 1925–September, 1926, submitted to Secretary of State for Finance and Commerce of Republic of Haiti, and Secretary of State of United States through American High Commissioner. W. W. Cumberland, financial adviser-general receiver, E. A. Colson, deputy general receiver, W. E. Dunn, director general of internal revenue. New York, Evening Post Job Printing Office, Inc., 1927. ix, 172 p.

INTERNATIONAL LAW CODIFICATION

COMMITTEE of Experts for the Progressive Codification of International Law. Report to the Council of the League of Nations on the Questions which Appear Ripe for International Regulation. (Questionnaires Nos. 1 to 7.) Adopted by the Committee at its Third Session, held in March–April, 1927. 282 p. 33 cm. (C. 196. M. 70. 1927. V. 1.) $2.50.

LETTER Dated April 2nd, 1927, from the Chairman of the Committee to the Secretary-General, Reporting on the Work of the Third Session of the Committee, held in March–April, 1927, and Communicating to the Secretary-General various Questionnaires and a Report for Transmission to Governments. 2 p. 33 cm. (C. 200. M. 74. 1927. V. 5.) 2 cents.

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THE MOST-FAVOURED-NATION CLAUSE. Report Adopted by the Committee at its Third Session, held in March–April, 1927. 15 p. 32½ cm. (C. 205. M. 79. 1927. V. 10.) 15 cents.

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REPORT to the Council of the League of Nations adopted by the Committee at its Third Session, held in March–April, 1927. Recognition of the LEGAL PERSONALITY of Foreign Commercial Corporations. 8 p. 32½ cm. (C. 306. M. 80. 1927. V. 11.) 8 cents.

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LEAGUE OF NATIONS

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NATIONALITY

LEAGUE OF NATIONS. Third General Conference on Communications and Transit. Preparatory Documents. Volume II. Identity Documents for Persons without Nationality. Geneva, March 1927. 20 p. 32½ cm. (3rd C. G. C. T. 1 Vol. II. 1927. VIII. 5 II.) $0.20.

NATIONALITY and Naturalization Laws of Certain Foreign Countries. (In continuation of "Misc. No. 3 (1893)" (Cmd. 7027) and "Misc. No. 7 (1922)" (Cmd. 1771).) London, 1927. 91 p. 24½ cm. (Parl. Pap., Miscellaneous No. 2 (1927). Cmd. 2852.) 1s. 6d.

PAN AMERICAN CONFERENCE

INTERNATIONAL American Conference. Program and Regulations of Sixth International Conference of American States, to assemble at Habana, Cuba, January 16, 1928, adopted by Governing Board of Pan American Union. Washington, 1927. (1), 9 p. 25½ cm.

PRESS

CONFERENCE of Press Experts. (Geneva, August 24th, 1927.) Preparatory Documents. 31 p. 33 cm. (C. 231. M. 93. 1927. 1.) $0.30.

REPARATION

REPORT of the Agent General for Reparation Payments. June 10, 1927. Berlin, 1927. 142 p. 24½ cm.

SAMOA

AMERICAN Samoa, general report by governor (Oct. 1, 1926, with list of books on Samoa). Washington, 1927. v, 137 p., il., 1 pl., 6 p. of pl. 30 cents.

SLAVERY

DESPATCH from the Governor-General of the Sudan to the Secretary-General of the League of Nations relating to Slavery in the Sudan. London, 1927. 4 p. 24½ cm. (Parl. Pap., Sudan No. 1 (1927). Cmd. 2872.) 1d.

QUESTION of Slavery. Communication from the Government of the Sudan. 2 p. 32½ cm. (C. 235. M. 95. 1927. VI. B. 1.) 2 cents.

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AUSTRIA. Bundesamt für Statistik. Statistisches handbuch für die republik Österreich. VII. Jahrgang. Vienna, 1926. viii, 177 pp.

BULGARIA. Direction Générale de la Statistique. Annuaire statistique du Royaume de Bulgarie, 1925. Sofia, 1926. xxxii, 548 p.

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FINLAND. Bureau Central de Statistique. Annuaire statistique de Finlande, 1926. Helsingfors, 1926. xxi, 339 p.

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Summarizes, *inter alia*, the most important economic statistics contained in the other documents published in this list. It is intended to be a convenient handbook for consultation.

NETHERLANDS. Central Bureau voor de Statistiek. Jaarcijfers voor Nederland. Annuaire statistique des Pays-Bas. 1925/26. Bewerk door het Centraal Bureau voor de Statistiek. 's-Gravenhage, 1927. vii, 367 p.

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Gives a list of the main sources of raw material and a table showing density of population in relation to cultivated areas.

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SIAM. Department of Commerce and Statistics. Statistical Year Book of the Kingdom of Siam. [Bangkok, Times Press, 1927.] 386 p.

URUGUAY. Dirección General de Estadística Anuario estadístico de la República oriental del Uruguay, 1924. Tomo XXXII, Parte 6. Monevideo, 1926. 100 p.

U. S. S. R. Abrégé des données statistiques de l'Union des républiques socialistes soviétiques. Rédigé pour les membres de la XVI[e] session de l'Institut International de statistique, par l'administration centrale de statistique de l'U. S. S. R. Moscou, 1925.

TARIFFS AND TRADE

COMMERCIAL TREATIES: Tariff Systems and Contractual Methods. By D. Serruys. 15 p. 26½ cm. (League of Nations, C. E. I. 31. 1927. II. 26.) 15 cents.

CUSTOMS NOMENCLATURE and Customs Classification. Possibility of Unifying Customs Nomenclature. Transmitted by Dr. Trendelenburg. 83 p. 26½ cm. (League of Nations, E. C. I. 32. 1927. II. 24.) $0.75.

1. DIRECT and Indirect Subsidies. 2. DIFFERENTIAL Taxes on Circulation, Consumption or Handling of Foreign Imported Goods. 3. REGULATION of Quantities of Imports and Exports Admitted. 32 p. 26½ cm. (League of Nations, C. E. I. 42. 1927. II. 35.) 30 cents.

DOUBLE TAXATION and Tax Evasion. Report presented by the Committee of Technical Experts on Double Taxation and Tax Evasion. 33 p. 25 cm. (League of Nations, C. 216. M. 85. 1927. II. 40.) 30 cents.

1. IMMUNITIES of State Enterprises. 2. RAILWAY Tariffs and Tolls as an Economic Factor. 3. NATIONAL and Flag Discrimination with Regard to Communications and Transit. 4. UNFAIR Commercial Practices. 36 p. 26½ cm. (League of Nations, C. E. I. 33. 1927. II. 32.) 30 cents.

MARKS of Origin. Part 1: Obligation to Affix a Mark of Origin on Goods. Note drawn up by the Secretariat of the League of Nations. Part 2: Observations on Marks of Origin and the Various Laws relating thereto. Communication by Dr. Trendelenburg, Member of the Preparatory Committee for the Conference (with Annexes). Geneva, 1927. 59 p. 26½ cm. (League of Nations, C. E. I. 20. 1927. II. 11.) $0.50.

RECENT Monopolistic Tendencies in Industry and Trade; Being an Analysis of the Nature and Causes of the Poverty of Nations. By M. Gustav Cassel. Submitted to the Preparatory Committee for the International Economic Conference. 45 p. 26½ cm. (League of Nations, C. E. C. P. 98. 1927. II. 36.) $0.40.

1. SYSTEM of Fixing Export Prices. 2. Dependence of trade on Control of Foreign Exchange. 3. METHODS of Assessment for the application of ad valorem Duties. 4. VARIATIONS in Tariffs in accordance with the Origins of Goods, the Place whence they come, their Destination, etc. 5. CONSULAR charges. 44 p. 26½ cm. (League of Nations, C. E. I. 28. 1927. II. 20.) $0.40.

TRADE—SOVIET UNION

EXPORTS, Imports and Concessions of the Soviet Union. Pod redaktsieĭ A. Troianovskogo, L. Iurovskogo ĭ M. Kaufmana. Izdanie Gosudarstvennoĭ Kontor'i Od'ialenni "Dvigatel." Moskva, "Priboĭ," 1927. 900 p., interleaved, 27 cm.

Text in Russian, German, English and French. "To provide the foreign business men with as precise as possible an idea as to foreign trade and concession affairs in the Soviet Union."

TURKISH PUBLIC DEBT

RAPPORT GENERAL sur la Gestion des Dîmes, Aghnam et Revenus divers par le Conseil d'Administration de la Dette Publique Ottomane. Exercice 1924–25 (1340). Constantinople, Imprimerie de l'Administration de la Dette Publique Ottomane, 1927. vii, 44 pp. 31½ cm.

UNITED STATES

ADDRESS of President Coolidge Bestowing upon Colonel Charles A. Lindbergh the Distinguished Flying Cross. Washington, D. C., Saturday, June 11, 1927. Washington, Government Printing Office, 1927. 3 p. 23 cm.

AIR commerce regulations, effective December 31, 1926 (with) sections amended and effective March 22, 1927. Washington, 1927. (1), 49 p.

CODE OF LAWS of United States of general and permanent character in force December 7, 1925, and appendix with laws to December 6, 1926, consolidated, codified, set forth, and published in 1926, in 150th year of the Republic, at its 1st session, by 69th Congress (with ancillaries and index); v. 44, pt. 1, of Statues at large. Washington, 1926. xii, 2453 p. 30 cm. $4.00.

WORLD WAR

REPRODUCTION of The Record of the Battle of Jutland Prepared by Captain J. E. P. Harper, M.V.O., R.N., and other officers by direction of the Admiralty in 1919–1920. London, 1927. 121 p. 24½ cm. (Parl. Pap. Cmd. 2870.) 1s. 6d.

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DEPARTMENT OF STATE NEWS RELEASES

The Department of State issues to the press copies of documents made public from time to time. Application for authentic mimeographed copies should be made to the Division of Current Information, Department of State, Washington, D. C. They are to be distinguished from publications of the Department, which issue from the Government Printing Office and are usually on sale at the Office of the Superintendent of Documents, who will furnish price lists on request.

ARMAMENTS — Italian reply to U. S. memo of March 14, 1927, May 17, S. D. 233, May 18.
Announcement by Secretary of State of opening of Naval Limitation Conference on June 20, S. D. 235, May 24.
British Empire delegation to Naval Conference, S. D. 240, June 8.
American delegation, S. D. 244, June 10.
Summary of Mr. Bridgeman's opening speech containing British proposals, S. D. 246, June 20.
Message from President Coolidge to Secretary General of the Conference, S. D. 247, June 20.
Speech delivered by Ad. Saito containing Japanese proposals, S. D. 248, June 20.
Statement by Mr. Gibson at first plenary session, S. D. 249, June 20.
Memorandum, details of American proposals, S. D. 250, June 20.
Scrapping which would result from American proposals, S. D. 251, June 20.
Auxiliary craft of five principal navies as of March 15, S. D. 252, June 21.
Establishment of Technical Committee, S. D. 253, June 22.
Communiqué of conference, S. D. 254, June 28.
Address by Mr. Gibson, July 14, S. D. 259, July 14.
Text of British proposals of July 28, S. D. 263, July 28.

AUSTRIA — Payments of interest on bonds of Austrian Chartered Company of State Railways, S. D. 245, June 16.

CANADA — Statement concerning reply to Canadian notes of April 25, 27 on border crossing privileges, S. D. 229, May 10.
Arrangements for flights of aircraft between U. S. and Canada, S. D. 230, May 10.
Note to Canadian minister, S. D. 237, May 29.
Note of April 13 to Canadian minister concerning St. Lawrence Waterway, and reply, S. D. 258, July 16.
Secretary of State and Vice-President to attend International Peace opening on August 7, S. D. 262, July 22.

CHINA — Statement by Eugene Chen, S. D. 221, April 26.
Report of Consul John K. Davis on Nanking incident, S. D. 225.
Statement of Nanking missionary group, transmitted to Department by Minister MacMurray, S. D. 227, May 7.

CZECHOSLOVAKIA — Reciprocal copyright agreement extended as from March 1, 1927, S. D. 222, April 30.

FOREIGN SERVICE — Letter of resignation of Lawrence Dennis from Foreign Service and Secretary's reply, S. D. 239, June 1.

GREAT BRITAIN — Text of Secretary's reply of May 4 to note of British Embassy re Secretary Mellon's letter of March 15, S. D. 233, May 4.
Notes concerning pecuniary claims between Britain and U. S. arising out of recent war, S. D. 238, June 2.

IMMIGRATION — Extension of examinations to prospective immigrants abroad, S. D. 241, June 10.

NETHERLANDS — Announcement by Netherlands Government of Ninth Olympiad to be held at Amsterdam, S. D. 260, July 15.

NICARAGUA — Department statement on Stimson report, S. D. 224, May 6.
Telegram from Mr. Stimson on general amnesty in Nicaragua proclaimed May 5, S. D. 226, May 7.
Telegram from Mr. Stimson concerning ending of civil war in Nicaragua, S. D. 232, May 16.
Telegram from Mr. Stimson concerning agreement with Moncada, May 5, S. D. 228, May 9.
Statement of Mr. Stimson given at Department concerning Nicaragua, S. D. 234, May 23.
Telegram from Admiral Latimer re military and political situation in Nicaragua, S. D. 242, June 10.
Occupation of American mines at San Albino by General Sandino, S. D. 255, July 1.

PANAMA — Question of U. S. Government commissaries in Panama Canal Zone, S. D. 231.

RADIO TELEGRAPH CONFERENCE —
List of American delegates, S. D. 243, June 10.
List of Delegates of Foreign countries, S. D. 256, July 5.
Representatives designated by companies, S. D. 256, July 5.
List of persons designated as technical advisers, S. D. 257, July 9.

SPAIN — Text of Royal Decree of Spain granting most-favored-nation treatment to U. S. for six months from May 26, S. D. 236, May 26.

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